

سكنا من الامل

The Global Newspaper Edited and Published in Paris Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 34,082 39/92 ** PARIS, FRIDAY, SEPTEMBER 25, 1992 ESTABLISHED 1887

Hillary Clinton Sheds the Image Of Lady Macbeth

By Robin Toner New York Times Service WASHINGTON — Barbara Bush is still vastly more popular and better known, but Hillary Clinton seems to be riding a heady backlash from the Republican convention these days.

Her crowds are big, her portrait on the cover of Time magazine this month was downright beautiful, and months of careful maneuvering to recast her image may be finally paying off.



Sad Aftermath of the Floods in Southeastern France A woman being comforted Thursday by rescue workers and a neighbor after returning to her house, which was devastated by the flash floods and fierce storms that struck southeastern France on Tuesday.

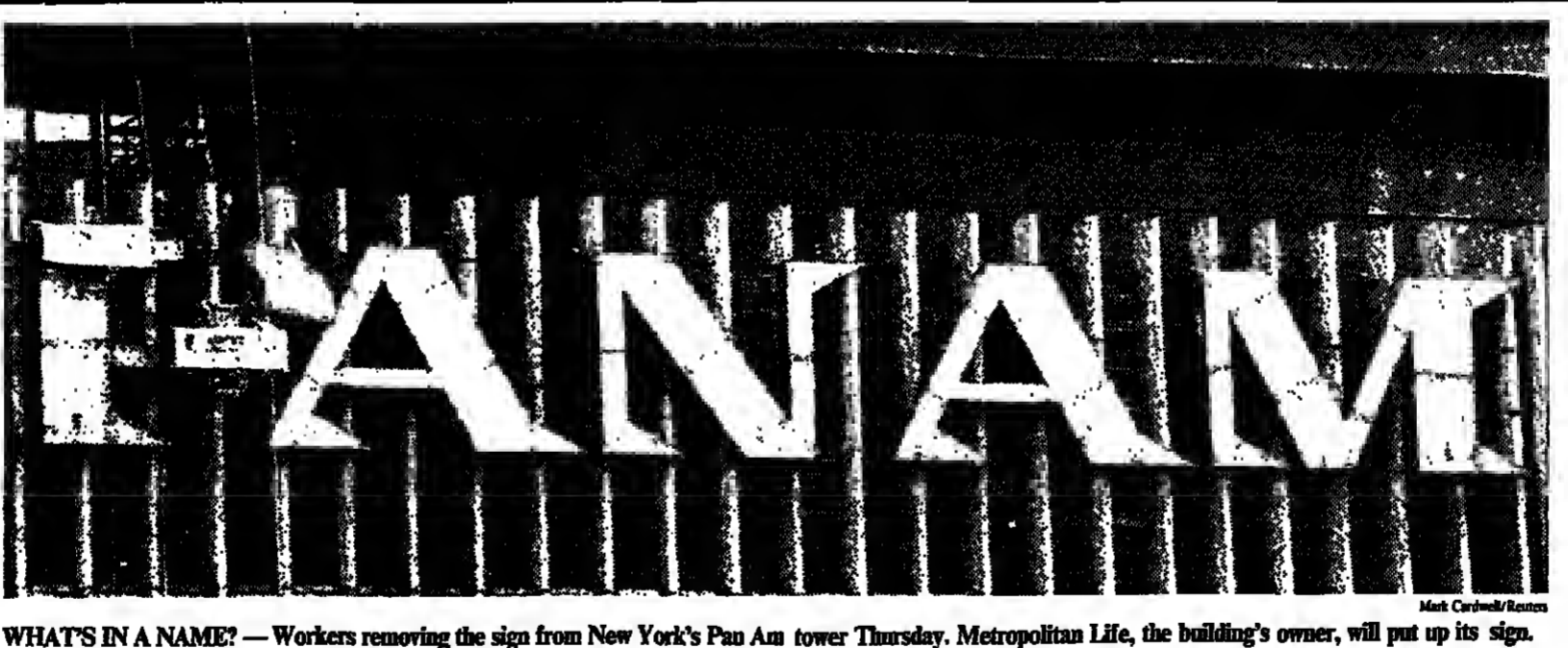
Russia Is Selling Submarines to Iran

By Michael R. Gordon New York Times Service WASHINGTON — Russia is selling diesel submarines to Iran despite U.S. protests, and the first of the vessels is expected to sail for Iran shortly, senior Pentagon officials said.

Swiss Rate Cut May Portend A German Move Franc Gets the Upper Hand In Europe's Currency Battle

By Carl Gewirtz International Herald Tribune PARIS — There were signs Thursday, although hardly conclusive, that France may soon be able to claim victory in its battle to save the franc.

Kiosk Cashier Is Slain At Euro Disney PARIS (Combined Dispatches) — A hotel cashier at Euro Disney was stabbed to death and robbed of the money he was putting into a safe at the amusement park near Paris, the police said Thursday.



WHAT'S IN A NAME? — Workers removing the sign from New York's Pan Am tower Thursday. Metropolitan Life, the building's owner, will put up its sign.

Senior Japan Politician Said to Plan Guilty Plea

By David E. Sanger New York Times Service TOKYO — Shin Kanemaru, widely considered to be Japan's most influential politician, was reported Thursday to be readying a guilty plea to charges that he received \$4 million in improper political contributions from a mob-related company in a widening scandal that is threatening to engulf the cabinet of Prime Minister Kiichi Miyazawa.

Yen Grows Stronger, Even Against Mark

By Andrew Pollack New York Times Service TOKYO — Overlooked in the commotion in the European foreign exchange markets, the Japanese yen has staged a strong rally and is emerging as perhaps the strongest major currency in the world right now.

Table with financial data: Dow Jones, Trib Index, The Dollar, DM, Pound, Yen, FF.

The Faceless Spymaster of the East Faces Justice in the West

By Marc Fisher Washington Post Service BERLIN — The legendary East German spy-master Markus Wolf, once known as the man without a face because Western intelligence agencies could not even obtain a picture of him, was charged with spying and treason Thursday.

Major Sees No End To Pound's Floating

By Erik Ipsen International Herald Tribune LONDON — In a stormy emergency session of Parliament on Thursday, Prime Minister John Major said that it would be a long time, if ever, before he would take Britain back into the European exchange rate mechanism it fled on Sept. 16.

UN Fights Time as Bosnia Winter Nears

By John F. Burns
New York Times Service

SARAJEVO, Bosnia-Herzegovina — United Nations officials assigned to help the people of Bosnia-Herzegovina survive the winter are in a race with time that many of the officials fear may be lost.

With the first snowfalls in Sarajevo probably no more than six weeks away, this city and dozens of other towns and villages are facing a threat that has come to be regarded by many Bosnians as more menacing than the tank and mortar bombardments around them.

Unless a new United Nations relief plan can surmount daunting obstacles, including a resistance from Serbian nationalist forces that has frustrated much of the relief effort so far, hundreds of thousands will face the winter without adequate clothing or shelter, without fuel for heating or cooking and with little food.

Senior officials of the Muslim-led Bosnian government have been warning that in the worst case, tens of thousands of people will die of exposure or starvation. At least 50,000 people are estimated to have died or disappeared in Bosnia-Herzegovina since April, when the fighting began.

UN relief officials have expressed similar fears, saying that they have been left with too

little time, too few stockpiled supplies and no assurances that the Serbian forces will cooperate.

Major General Philippe Morillon, the French officer named to organize the stepped-up relief effort authorized by the UN Security Council last week, flew to Bosnia over the weekend to assess problems facing the new, 6,000-member UN military force. The force will attempt to overcome obstacles that have kept supplies from reaching many of the 1.3 million people estimated to be in need of help.

The new force will be in addition to the 2,000 military and civilian personnel that the United Nations has already deployed across Bosnia, mostly in Sarajevo.

At a news conference this week, General Morillon seemed beset with worry. He outlined the steps necessary before the truck convoys needed to transport thousands of tons of supplies a week could begin running. Among these, he said, would be the repair of four bridges on the main route, a 140-kilometer (85-mile) run from Mostar, southwest of Sarajevo, that has been the scene of savage fighting.

"We must pray that winter doesn't arrive too quickly," the general said.

In approving the expansion of the relief effort last week, the Security Council set out a

plan under which troops from Canada and several European countries, including Britain and France, would seek to establish safe corridors for overland convoys across Bosnia.

The UN resolution also widened the conditions under which the troops could use force, authorizing units accompanying convoys to use "all necessary means" to get supplies through.

Among many Bosnians, this raised the hope that UN troops, who have hitherto opened fire only when fired upon, would use force to overcome Serbian resistance, including attempts to block roads.

Some Bosnian officials predicted that this could draw Western forces into the war on the Bosnian government side. But General Morillon made it plain that convoys encountering Serbian blockades would use persuasion, not force.

"We have absolutely no intention of force our way through blockades," the general said. "It is not in our mandate."

Cyrus Shahkhalili, a UN relief official, was doubtful that the UN effort would succeed. He said that he believed that no effective relief effort could be mounted without a lasting, countrywide cease-fire.

"The crux of the problem is political," he said. "If we don't have a cease-fire, the Serbs can and will sabotage all our efforts."

Germany Tells UN It Wants Permanent Security Council Seat

By Paul Lewis
New York Times Service

UNITED NATIONS, New York — Germany has told the United Nations General Assembly for the first time that it would like a permanent seat on the Security Council and promised to revise its constitution so that German soldiers could take part in UN military operations.

The German statement, made by Foreign Minister Klaus Kinkel in an address Wednesday to the assembly, was widely viewed as a sign that two years after reunification Germany is ready to take a role in world political affairs commensurate with its economic strength.

Mr. Kinkel made clear that Germany was still unwilling to go on the offensive in seeking a permanent seat on the 15-outlet council, the body charged with preserving world peace, saying, "We will not take the initiative in this respect."

But he noted that a debate on enlarging the Security Council was under way and that "if a change in the council's composition is actually considered, we, too, shall seek a permanent seat."

Mr. Kinkel's comments came a day after the Japanese foreign minister, Michio Watanabe, dropped a broad hint, as he did in his speech last year, that Japan also believed its economic importance merited permanent Security Council membership by 1995, when the United Nations celebrates its 50th anniversary.

In the past, the United States has supported the principle of council membership for Japan and, since reunification in October 1990, for Germany as well.

But it has also quietly discouraged both countries from pressing openly for permanent membership, fearing that any attempt to amend the UN Charter risks unleashing pressures for more far-reaching organizational changes. Now that Germany and Japan are becoming more explicit about their wishes, Washington may have to decide whether to come out publicly in favor of or against their membership.

At present, permanent membership is confined to Britain, China, France, Russia and the United States, the five World War II victors, who also have a veto on deci-

WORLD BRIEFS

Iraq Opposition Plans Government

SALAH AD-DIN, Iraq (AP) — Iraqi opponents of Saddam Hussein, meeting together for the first time on his soil, on Thursday proclaimed their unity and intention to create a federal government.

They agreed to form an 87-member legislature to coordinate the struggle and draw a blueprint for a democratic Iraq. More than 60 delegates from 33 parties or groups attended the opening ceremony on Wednesday. The delegates set up a committee of 18, representing the main Kurdish, Shiite fundamentalist and Sunni Arab groups to work out details of the anti-Saddam strategy.

The chances are slim that the opposition will be able to overthrow Mr. Saddam soon, given his military might. But observers said the meeting gave moral strength to his opponents, particularly the Kurds, who have set up their own de-facto state in Iraq's north.

Georgia Warns of 'War' on Abkhazia

MOSCOW (Reuters) — Georgia threatened on Thursday to start a "real war" if its ultimatum demanding that South Russian armed groups be withdrawn from the rebel region of Abkhazia by Friday was not observed.

A spokesman, Ramon Chelidze, said that the State Council had decided to start a "wide-scale combat action" to drive all "illegal" north Caucasian armed groups from Abkhazia. "Then a real war will start," he said.

Mr. Chelidze, deputy head of the ruling State Council's press service, was speaking by telephone from his office in the Georgian capital, Tbilisi.

Roh to Hold Nuclear Talks in China

SEOUL (UPI) — North Korea's nuclear development program will be a major topic when President Roh Tae Woo of South Korea meets Chinese leaders in Beijing next week, a senior South official said Thursday.

Shin Kee Bok, assistant foreign minister for political affairs for South Korea, said that Mr. Roh will meet China's president, Yang Shangkun; the Communist Party leader, Jiang Zemin; Prime Minister Li Peng and other officials.

President Roh's visit will not only help promote bilateral relations with China but will also contribute to the stability of the Korean Peninsula, Mr. Shin said. "I think denuclearization of the Korean Peninsula will be a major topic during the visit."

Ex-Honduras Rebel Frees Hostage

TEGUCIGALPA, Honduras (AP) — A former Honduran rebel freed Luis Fishman, the Costa Rican interior minister, Thursday and flew to possible asylum in Mexico after a 16-hour hostage-taking that also netted the Honduran secret police chief and a bishop, officials said.

Orlando Ordoñez, a former member of Honduras's Cinchonero rebel group, flew to Mexico immediately with three Roman Catholic priests and a Mexican diplomat after Mr. Fishman's release at Tegucigalpa's international airport, officials said.

Mr. Fishman was freed after a nightlong airport standoff and negotiations involving Honduran officials and Costa Rican, Mexican and Vatican diplomats. The former rebel's other two hostages were freed Wednesday. In Mexico City, a Foreign Ministry spokesman said the government had agreed to Mr. Ordoñez's "transfer" to Mexico and that his status would be considered.

42 Still Missing in Ship Collision

JAKARTA (Reuters) — Forty-two seamen are still missing after a weekend collision between two ships in the Strait of Malacca which also left a giant oil slick in one of the world's busiest waterways, officials said on Thursday.

Indonesia, which is coordinating the search, says only one body and three survivors have been found out of a crew of 21 crew aboard the Panamanian-registered container ship Ocean Blessing and 25 on the Liberian-registered tanker Nagasaki Spirit, which collided Sunday.

The container ship was bound for a north Sumatran port. The tanker, which was carrying 40,000 tons of oil, is still drifting in the strait oiled by a hole in its side. An official estimated the radius of the oil slick at about 20 kilometers (12 miles).

TRAVEL UPDATE

International air travel is expected to increase by 7.4 percent annually in the next four years as the world emerges from economic recession, according to a study released on Thursday by the International Air Transport Association.

The number of traffic-related deaths in Russia in the first half of this year — 13,000 — equaled the total death toll in the 10-year Afghan war, the daily newspaper *Trud* reported Thursday, citing figures from the state statistics committee.

Fare wars and mergers are knocking airlines out of the skies, industry officials said on Thursday at a conference in Cairo, and a British Airways official predicted that there would be only nine major carriers by the end of the century. Much of the attrition is expected to take place in the United States, where industry losses of \$7 billion in the last two years have pushed major airlines into bankruptcy or liquidation.

Germany has asked the United States to update a 1955 bilateral air-traffic treaty, removing terms that it says favor U.S. carriers, including limits on the number of airports available to each country's airline. Bonn said it would terminate the accord if the changes were not made.

About 1.74 million tourists visited Thailand from January to June, as opposed to 1.62 million a year previously, despite May's riots in Bangkok, the national tourist authority said.

Two campgrounds in Kings Canyon National Park in California have been closed temporarily because of a mouse found dead there of bubonic plague. No park visitors have been infected, a spokeswoman said. (AP)

Bosnian Strife Widens, Sarajevo Mortar Kills 3

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzegovina — Bosnian and Serbian forces fought for control of key towns across Bosnia on Thursday, while a mortar attack killed three civilians in central Sarajevo.

Outside the capital, near the suburb of Stup, a United Nations armored personnel carrier overseeing an exchange of bodies by Serbian and Bosnian forces burst into flames after being hit by a bazooka shell. At least seven peacekeeping personnel — six Egyptians and a Canadian — were wounded, a UN spokesman said.

Cyrus R. Vance and Lord Owen, mediators heading international efforts to restore peace in the former Yugoslav republic, said they would visit Serbian-held Banja Luka in northern Bosnia on Friday to investigate reports of ethnic violence. Local sources said that Muslims

there killed four Serbian policemen Wednesday night. The town was at the center of "ethnic cleansing" operations earlier this year.

Mr. Vance and Lord Owen were also expected to seek details of a Banja Luka police investigation into allegations that Serbian police killed 200 Muslim men who disappeared in August while being escorted to Muslim-held territory.

Sarajevo radio reported three dead in Thursday's mortar attack, which hit bus carrying people to work. Another person was killed by a sniper in the city.

The towns of Gradacac, Bihamac and Jajce were heavily shelled by Serbian forces, it said.

Jajce, in western Bosnia, was also being bombed by Serbian aircraft. Jajce has been virtually cut off by Serbian forces since April.

At the United Nations in New York, the presidents of Croatia and Bosnia-Herzegovina announced a mutual defense pact to thwart Serbian aggression.

Despite a pact signed in July, relations between Bosnia and Croatia have soured. Last month, Croatian forces close to Sarajevo turned back at least two arms shipments to Sarajevo's besieged defenders, Bosnian defense officials said.

President Franjo Tudjman said he did not intend to ask UN peacekeepers in Croatia to stay beyond March 1993, when their mandate expires. He said that the Serbs in Croatia will be peacefully integrated into political life by then, so "there will be no need to extend the mandate of the UN."

In fact, tensions have been high in some of the Serb-dominated areas patrolled by the 10,000 UN peacekeepers deployed in Croatia. The troops are separating Serb separatist and Croatian troops. (Reuters, AP)



'MINISTER FOR FUN' RESIGNS — David Mellor, National Heritage minister, also known as the "minister for fun," in London before resigning following publicity about an affair with an actress and a friendship with a PLO aide's daughter.

Bonn-Romania Gypsy Accord

Refugees Deported as Bucharest Gets \$21 Million in Aid

WASHINGTON Post Service

BERLIN — Germany and Romania signed a treaty on Thursday allowing Germany to deport thousands of refugees, most of them Romanian Gypsies, while Romania will receive \$21 million in "return and reintegration aid."

In Bucharest for the signing ceremony, the German interior minister, Rudolf Seiters, hailed the accord as "a great success in my efforts quickly to return rejected asylum-seekers to their homelands."

About 20 percent of the 280,000 foreigners who have sought asylum in Germany this year are from Romania; about 60 percent of the Romanians are Gypsies.

The treaty was criticized Thursday by human-rights groups and Gypsy organizations, who accused Germany of sending thousands of people to face political persecution in the country they had fled.

"Gypsies in Romania have been the target of increasingly violent attacks since the revolution that toppled Nicolae Ceausescu," the director of the international human-rights group Helsinki Watch, Jeri Laber, wrote in a letter to Chancellor Helmut Kohl of Germany. "The German government's decision to single out Romanian Gypsies for deportation is discriminatory treatment."

Germany, which has accepted more refugees than any other European country, has defended the deportation program as an important step in streamlining an asylum system overloaded by more than half a million refugees since Germany re-

unified two years ago and opened its eastern borders.

German press reports on Thursday night referred to the \$21 million aid program for Romania as a form of compensation to the Bucharest government for taking back its fleeing citizens. The German Interior Ministry statement announcing the program said the return of Romanian refugees to their country "stands in the context of" Germany's agreement to spend \$21 million over three years to build job-training schools in Romania. Later, the ministry said the aid program was not a form of compensation, but had been in the works for several months.

The leader of Germany's main Gypsy group, the Central Council of German Roma and Sinti, accused the German government and news media of inciting a furor campaign against Gypsies.

The leader, Romani Rose, said, "It is frightening how quickly during the present crisis in Germany our minority is being used politically to divert attention from the real problems we have — high unemployment, housing shortages, health care."

In a recent report on the persecution of Gypsies in Romania, Helsinki Watch, which said its investigators conducted interviews with more than 200 Gypsies and Romanian officials, concluded that both vigilante mobs and Romanian police have beaten Gypsies, chased them out of their villages and denied them work.

The Romanian government denies persecution of Gypsies and said it welcomed the opportunity to return the refugees to their homes.

Germany has rejected nearly all asylum claims from Romania, granting asylum to only 0.2 percent of the applicants, Mr. Seiters said. Relations between Germans and Gypsies have been strained for more than a century. About half a million Gypsies were rounded up and murdered in Nazi concentration camps.

For decades, Gypsy organizations have asked the German government for reparations of the type that West Germany paid to Israel and to Jewish Holocaust survivors. The German ZDF television service said that Bonn's Finance Ministry recently rejected a demand for reparations by Ion Coloaba, who was recently crowned king of the Gypsies. — MARC FISHER

The Weather



North America Tropical storm Danielle will hit the mid-Atlantic coast early in the weekend, bringing soaking rains from New York City through Washington, D.C. Chicago and Detroit will have a rather warm weekend with just the chance of a shower.

Europe Showers and thunderstorms will pock areas of northern Spain and southern France this weekend. Madrid will have thunderstorms Saturday, then Sunday and Monday will have a rather warm weekend with just the chance of a shower.

Asia Shanghai, Korea and western Japan will see partly sunny and comfortable this weekend. Rain will let a low pressure system into early Sunday as it turns breezy and cool. Hong Kong will be mostly cloudy with passing showers while a breeze refreshes Taipei.

Europe				Asia				Africa				Latin America				North America			
City	Today	High	Low	City	Today	High	Low	City	Today	High	Low	City	Today	High	Low	City	Today	High	Low
Algeria	24-26	24	18	Bangkok	22-26	25	18	Cairo	24-28	28	20	Buenos Aires	13-15	15	8	Atlanta	42-48	48	32
Athens	24-28	28	18	Beijing	22-26	25	18	Chicago	34-38	38	24	Buenos Aires	13-15	15	8	Boston	42-48	48	32
Barcelona	24-28	28	18	Hong Kong	22-26	25	18	Columbus	24-28	28	20	Buenos Aires	13-15	15	8	Denver	42-48	48	32
Berlin	24-28	28	18	Manila	22-26	25	18	Havana	24-28	28	20	Buenos Aires	13-15	15	8	Detroit	42-48	48	32
Bombay	24-28	28	18	New Delhi	22-26	25	18	La Paz	24-28	28	20	Buenos Aires	13-15	15	8	Houston	42-48	48	32
Buenos Aires	24-28	28	18	Osaka	22-26	25	18	London	24-28	28	20	Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Calcutta	24-28	28	18	Seoul	22-26	25	18	Madrid	24-28	28	20	Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Cairo	24-28	28	18	Singapore	22-26	25	18	Manila	22-26	25	18	Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Chengde	24-28	28	18	Taipei	22-26	25	18	Osaka	22-26	25	18	Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Chongqing	24-28	28	18	Tokyo	22-26	25	18	Seoul	22-26	25	18	Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Colombo	24-28	28	18					Singapore	22-26	25	18	Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Dhaka	24-28	28	18					Taipei	22-26	25	18	Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Delhi	24-28	28	18					Tokyo	22-26	25	18	Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Detroit	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Dublin	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Edinburgh	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Hankou	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Hanoi	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Havana	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Helsinki	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Hong Kong	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Houston	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Los Angeles	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
London	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Madrid	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Manila	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Moscow	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Mumbai	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Nairobi	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Peking	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Rangoon	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Rio de Janeiro	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Sao Paulo	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Shanghai	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Singapore	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Taipei	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Tel Aviv	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Tokyo	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32
Washington	24-28	28	18									Buenos Aires	13-15	15	8	Los Angeles	42-48	48	32

★ U.S. CITIZENS ★

Don't Forget To Write

You can make a difference this election year. Register now for an absentee ballot and REGISTER TO VOTE NOW! For more information, contact any of the Republicans Abroad chapters in over 65 countries:

REPUBLICANS ABROAD
310 First St. S.E., Dept. HTS
Washington D.C. 20003
Phone: (202) 662-1390
Fax: (202) 737-2687

- European monetary chaos
 - The dollar crisis
 - The U.S. election
 - Civil war in Yugoslavia
 - Face-off over Iraq
 - Maastricht ratification
- These events affect all our lives. Shouldn't you be following them daily in the IHT?

Subscribe **46%** and save up to off the newsstand price.

CALL US TOLL-FREE IN FRANCE: 05 437 437
GERMANY: 0130 848585
SWITZERLAND: 155

صوتا من الامم

CAMPAIGN '92 / CHECKING THE MATH

Candidates' Pledges That Don't Add Up

By David E. Rosenbaum
WASHINGTON — This week, President George Bush offered a \$20 billion tax break to small businesses. Last week, it was \$500 million a year to companies giving workers time off in family emergencies. Before that, it was a 1 percentage point across-the-board reduction in tax rates for individuals.

for the next fiscal year, of which \$38 billion results from an accounting gimmick. The second is that Mr. Bush no longer advocates some cuts he favored early in his administration and that are presumably included in the \$132 billion. For example, two years ago, he recommended cutting price-support payments to farmers by \$20 billion. Congress approved about \$15 billion, but less than \$1 billion of the remaining cuts are in next year's budget.

NEWS ANALYSIS

spending than Mr. Bush wants. And he does not promise to balance the budget, only to cut the deficit in half over four years. Mr. Bush, of course, is sworn against tax increases. He says merely by spending reductions; he almost never says which ones. He did not say Wednesday, for example, how the country could afford \$20 billion in tax relief for small businesses.

There are several problems with that figure: The first is that the White House and the Bush campaign have no list of programs that are included in the \$132 billion total. Only \$72 billion of the cuts are in the budget

the federal budget, and almost all economists think that they somehow should be reined in. The rub with Mr. Bush's plan is that he offers no clue how it would work, nothing that would give any voter any indication that a favored benefit might be sliced. Medicare and Medicaid, by far the largest mandatory programs besides Social Security, have been growing at about 13 percent a year, more than three times the rate of inflation. Does Mr. Bush have some plan he has not announced to lower medical costs? Or would the elderly and the poor find that some of their medical bills were not covered?

Mr. Clinton's accounting is also open to question. His pledge to cut the budget deficit in half over the next four years is based largely on the assumption that the economy will grow somewhat faster than congressional authorities and most private economists anticipate. A promise to collect more taxes from foreign corporations based in the United States is probably more smoke than substance. And promises to save billions by cutting administrative costs throughout the government and improving management of the savings and loan bailout are probably not realistic.

Like most other politicians, Mr. Clinton almost never delivers bad news. In the Middle West, he says he will continue generous farm subsidies. In Florida, he promises no cuts in Social Security or Medicare. And when he arrives in a community where weapons systems are built, he becomes outright hawkish.

But this is not the full extent of the president's budgetary sleight of hand. He said he favored putting a cap on all mandatory spending programs except Social Security so they could rise no more than the rate of inflation and the rate of increase in the eligible population. Such a cap, he said, would save the government \$294 billion in the next five years.

Mandatory programs, or entitlements, are those like Medicare, Medicaid, veterans benefits, food stamps and agricultural price supports that pay benefits automatically to everyone who is eligible. They make up about three-fifths of

Bush aides said the president is expected to follow through this week on his promise to veto the legislation as part of the president's anti-regulation philosophy. But one official ruefully noted, "Being in favor of cable TV price-gouging, as we are being portrayed, is not exactly a populist position. This is not an easy issue to make our case on."



President George Bush presenting his small-business proposals during an address to businessmen in Greensboro, North Carolina.

home care and prescription drugs for every American. He says the price to the government, perhaps \$30 billion or \$40 billion a year, would be offset by controlling medical costs, but he has not offered a fully developed cost-control plan. His staff says that if the health-care plan proved to be too expensive, it might have to be phased in over several years, a caveat that the candidate himself does not make in his stump speeches.

But that said, Mr. Clinton has put out the most complete tax and spending figures of any recent presidential challenger. If they do not add up, they are not nearly so far off as Mr. Bush's.

ELECTION NOTES

Clinton's Rhetoric Takes the Preppie Road

VALDOSTA, Georgia — Mr. Clinton's rhetoric is taking a personal turn, focusing on President George Bush's privileged upbringing as he expands his theme that Republican policies favor the wealthy at the expense of middle America. Campaigning before a roaring crowd of 6,000 at the final stop of a one-day bus tour through Georgia, Mr. Clinton noted that Mr. Bush — in refusing to debate — called Mr. Clinton an "Oxford man" skilled at debating. "One day I'm a redneck from a little Southern state, the next day I'm an Oxford man," Mr. Clinton said. "He went to a country day school and prep school in Connecticut and Yale. Where does he get off looking up to me as an Oxford man?"

Nadler Replaces Weiss as New York Nominee

NEW YORK — State Assemblyman Jerrold Nadler, a veteran legislator from the Upper West Side, was chosen by Manhattan Democratic Party leaders as their nominee to succeed Representative Ted Weiss on the November ballot, virtually assuring his election in the overwhelmingly Democratic district that has long been among the most liberal in the nation. In a raucous meeting of nearly 1,000 Democratic ward politics and committee members that capped a week of old-fashioned politics and intense lobbying, Mr. Nadler handily defeated a crowded field of five other candidates, including the widow of Mr. Weiss, the longtime liberal leader who died last week.

Quote-Unquote

Vice President Dan Quayle: "One lesson we've learned over the past two centuries is the need for strong character in our presidents. This country has prevailed in rough times when our leaders have adhered firmly to principle and truth. But when our presidents have vacillated or lied or attempted to be all things to all people, then we have lost national confidence and steered toward crisis." (NYT)

Congress Puts Bush in Corner

He Must Veto Popular Bills to Be Consistent

By Ann Devroy
WASHINGTON Post Service
WASHINGTON — This is the month that the Democratic-controlled Congress is sending President George Bush's legislative chickens home to roost.

Family leave. Mr. Bush this week vetoed the family leave bill that would have required employers of more than 50 workers to give them up to 12 weeks of unpaid leave for family emergencies. Governor Bill Clinton, the Democratic presidential nominee, and the Democrats have been hashing Mr. Bush for weeks on the issue, calling the president pro-family in rhetoric but anti-family in policy.

Abortion. Democrats have abortion language in at least two spending bills, a replay of efforts that have been made at least a dozen times during the Bush presidency. The language would allow federal funds to be spent in connection with abortions for poor women. Mr. Bush will veto such legislation again in adhering to his anti-abortion policies, with aides agreeing that focus on the abortion issue may please conservative Republicans but is not a plus for most other voters.

With fewer than six weeks left in a campaign where the president is struggling, Congress is sending him legislation that he must veto to avoid being accused of flip-flopping. But killing bills to grant family leave, to control the rising cost of cable television, or to help fund abortions for poor women, are actions not likely to gain many votes for Mr. Bush beyond those already in the Republican column.

China. Legislation to renew most-favored-nation trade status has been crafted to highlight China's human rights, arms proliferation and trade policies. The legislation would impose restrictions on Beijing, and Mr. Bush has vetoed every version of it since the Tiananmen Square massacre, during his first year in office. Mr. Bush has steadfastly maintained that encouraging China to reform will work better than punishing that nation, a position that has little public support.

China. Legislation to renew most-favored-nation trade status has been crafted to highlight China's human rights, arms proliferation and trade policies. The legislation would impose restrictions on Beijing, and Mr. Bush has vetoed every version of it since the Tiananmen Square massacre, during his first year in office. Mr. Bush has steadfastly maintained that encouraging China to reform will work better than punishing that nation, a position that has little public support.

Nicholas E. Calio, the White House aide for legislative affairs, said, "The schedule was done for political purposes, and no one in Congress would deny it with a straight face." Another administration official noted that Mr. Bush was "on the wrong side politically" of at least four and perhaps more issues Democratic congressional leaders have made a priority in Congress's remaining days before adjournment:

These are grenades being rolled our way in a guerrilla war Congress is waging on Bill Clinton's behalf," a senior White House official said. Mr. Bush's stands on those issues have not altered much in his four years in the White House and to switch positions now, his aides acknowledge, would be politically suicidal.

"Are you kidding," asked one aide when questioned on whether Mr. Bush should avoid vetoing the cable bill. "This is the week we are on the air accusing Clinton of flip-flopping," a reference to a new Bush advertising campaign against Mr. Clinton that began Wednesday.

Away From the Hustings

- New laws on the disposal of hazardous waste were passed by Congress and sent to President George Bush. The legislation requires federal installations, such as nuclear plants, to comply with state and federal laws. The bill, which the administration had blocked for several years, was passed, 403 to 3, in the House and by voice vote in the Senate.
• A protein implicated in Alzheimer's disease, apparently made by cells throughout the body, is cited by scientists in a surprising finding that may offer ways to test for the illness and develop treatments. Three groups of researchers said they discovered the production of beta amyloid by human and animal cells in the laboratory and by blood and spinal cord cells from Alzheimer's patients and healthy people.
• A homemade bomb caused an explosion that killed one man in a strikebound gold mine in Yellowknife, Northwest Territories, last week, a newspaper reported. The bomb in the Giant Yellowknife mine probably went off when a rail car carrying the miners rolled over a detonator. The Globe and Mail of Toronto reported Wednesday, citing mine officials.
• In the aftermath to the hurricanes that swept through Florida, Louisiana and Hawaii, President Bush signed legislation providing \$11.1 billion in emergency aid to those states. Also given aid was the territory of Guam, damaged by a typhoon.
• Charges of criminal sexual conduct with a 15-year-old baby sitter in 1987 were lodged in Minnesota against James R. Porter, a former Roman Catholic priest who was indicted Monday on charges of sexually assaulting 32 girls and boys in Massachusetts three decades ago. The new charges were disclosed while he was being arraigned in New Bedford, Massachusetts, on accusations that dated back to when he was a priest in the area.
• After an engine exploded, a United Airlines DC-10 with 238 passengers on board returned safely to San Francisco airport, an airport spokesman said. The DC-10 had just taken off on a flight to Kona, Hawaii, when a compressor in one of its three engines exploded, blowing out the side of the engine and some engine parts, a spokesman said.

NYT, UPI, AP, Reuters

MCI MAKES THE CALL HEARD 'ROUND THE WORLD.

MCI WORLD REACH IS HERE. AND THERE. To American business people traveling internationally, April 15th wasn't just "tax day." It was the day Americans started calling from one country to another using MCI®. And doing it easier, more conveniently and less taxing than ever before. All they needed was the MCI Card® and MCI World Reach.™ With MCI World Reach, you're just a toll-free number away from an English-speaking operator who will quickly put your call through to the growing list of participating World Reach countries. All of which means you can forget about a lot of things that are foreign to you. Like the language, the currency, the exchange rates, the delays, the hotel surcharges. To get your free MCI Card, call collect from overseas anytime, day or night, 712-943-6839. Or if you're in the U.S., call 1-800-955-0925. With MCI World Reach you'll find the world on much better speaking terms. MCI

Where to find the warmth of Mandarin Oriental. The Oriental, Bangkok. Mandarin Oriental, Hong Kong. Mandarin Oriental, Jakarta. Mandarin Oriental, Macau. Mandarin Oriental, Manila. Mandarin Oriental, San Francisco. The Oriental, Singapore. The Excelsior, Hong Kong. MANDARIN ORIENTAL THE HOTEL GROUP

James A. Van Fleet, U.S. General, Dies

New York Times Service
General James A. Van Fleet, 100, a foot soldier through four decades and a commander who led major campaigns in World War II and the Korean War, died Wednesday in Polk City, Florida.

General Van Fleet, who had been a machine-gunner to World War I, later played crucial roles on D-Day, in the Allied push into Germany and, after the war, in stopping Communist guerrillas in Greece.

Calling him "the greatest general we have ever had," former President Harry S. Truman said in 1953: "I sent him to Greece and he won the war. I sent him to Korea and he won the war."

As commander of an infantry regiment for the D-Day assault on Omaha Beach in Normandy, his men obtained their objectives with a minimum loss of lives.

After serving as deputy division commander and later leading a division, he was put in command of the 3d Corps, and was on hand for the crossing of the Rhine River. His corps spearheaded the drive across Germany.

After serving in Greece during the civil war, he was at 1st Army Headquarters in Maryland when he was summoned to command allied forces in Korea.

He was born in New Jersey, a son of William and Medora Van Fleet. His father had served in the Union Army during the Civil War. His grandfather, Joshua, served in the New York militia during the Revolution.

He was appointed to the U.S. Military Academy in 1911, and graduated with the class of 1915, which included Omar N. Bradley and Dwight D. Eisenhower.

After infantry company duty during a tense period on the Mexican border in 1916, Lieutenant Van Fleet took machine-gun training. He went to France as a captain and received command of the 17th Machine Gun Battalion of the 6th Division. In the rugged fighting during the Meuse-Argonne offensive in October 1918, he was wounded in action several days before the war ended on Nov. 11.

His service in the peacetime army of the 1920s included assignments to Reserve Officer Training Corps units in several state colleges. For several years, he was commandant of cadets and head football coach at the University of Florida. He was returned to field service in 1925 as a battalion commander with the 42d Infantry in the Panama Canal Zone.



For General Van Fleet, a long and honored military record.

Flood Deaths Expected to Surpass 80 in France

Compiled by Our Staff From Dispatches
VAISON-LA-ROMAINE, France — As hopes of finding further survivors dimmed, rescue officials said Thursday that they feared that more than 80 people had died in the flash floods and fierce storms that swept through southeastern France this week.

At least 34 people were killed and nearly 50 were missing after rivers in the Arubche, Drôme and Vaucluse regions burst their banks Tuesday, creating torrents of mud and water that devastated towns and campsites, toppled trees and houses and swept away cars and caravans. Five Belgians, a German and a Dutchman were among the dead.

"Technically there is no chance of finding anybody else alive," said Yves Cavalier, head of the rescue operation in Vaison-la-Romaine, the town worst affected by the floods.

"It's an indescribable tragedy," said Mayor Claude Haut of Vaison-La-Romaine, where at least 21 people died and at least 30 houses and a campsite were destroyed when the Ouveze River rose up to 50 feet (about 16 meters) to engulf the ancient town Tuesday.

The water rose so fast that vehicles were sucked up by the current and hurled over tumbled bridges. Onlookers watched helplessly as people inside cars and caravans waved from behind the windows to despair.

A pedestrian crossing the Roman bridge in Vaison when the floods struck clung on to a

road sign for three hours before losing strength and being swept away. A mother fighting the current dropped her baby out of exhaustion and saw him drown.

Although floods have regularly occurred in the area, Tuesday's disaster was the worst in the modern history of Vaison, 25 miles (48 kilometers) north of Avignon. The Roman bridge was last submerged in 1616.

As the toll mounted, ecologists and others threatened officials with lawsuits for allowing rapid construction of homes and campsites to flood zones. Others said deforestation contributed to the flooding.

Most of the territory along the banks of the Ouveze has been turned in the last 90

years into a series of camp and caravan sites and firmly built industrial and housing estates.

Some locals blamed the severity of the flood's impact on the decline of agriculture in the area, saying the soil would have withstood better if more had been cultivated.

Interior Minister Paul Quilès declared the area a disaster zone and earmarked 5 million francs (\$1 million) to help victims and restore the extensive damage.

Officials said river levels were stabilizing but would not return to normal until the end of the week. Drinking water was still unavailable in some areas.

(Reuters, AP)

Death Rate of Children in Iraq Rose After War

The Associated Press
BOSTON — The death rate among Iraqi children rose dramatically in the months after the Gulf War, largely because of an outbreak of diarrhea caused by damaged water and sewage systems, researchers reported Thursday.

In the first seven months of 1991, about 46,900 more children died than would have been expected, according to a study published in the New England Journal of Medicine.

Dr. David Bodian, 82, a medical scientist and teacher whose work helped lay the groundwork for the Salk and Sabin polio vaccines, died Friday in Baltimore of Parkinson's disease.

Edward M. M. Warburg, 84, a philanthropist and benefactor of the arts, died of heart failure Monday to Norwalk, Connecticut. In 1933, he was a founding father of the American Ballet, the precursor of the New York City Ballet.

Dr. Leon Jacobson, 81, who was the chief doctor for the research team that created the atomic bomb, died Sunday in Chicago of complications from lung cancer.

Charles H. Shattuck, 81, a Shakespearean scholar and an authority on the performance of the playwright's works in the United States, died Monday in Urbana, Illinois after a long illness.

Gerald Hanley, 76, an Irish novelist whose days in Africa inspired "The Consul at Sunset" and other books depicting the decline of the empire, died in Dun Laoghaire on Sept. 7 after a short illness.

MAJOR: No Early British Return to the Rate System

(Continued from page 1)
should only involve itself in areas where the Community could act more effectively than individual governments.

Furthermore, Mr. Major insisted that the ERM would have to be revamped before Britain could think of re-entering the system.

At this juncture few observers profess to be able to see any logic in Britain quickly beating a path back to the ERM. "Having been through

all the pain of the past week I don't think that the government will be any hurry to put its head back in the vice by re-entering the exchange rate mechanism," said Kevin Gardiner, chief economist at Warburg Securities.

But the problem now confronting Mr. Major's government is to find some credible alternative.

"The chancellor of the Exchequer has had less than a week to make a new economic rudder and

doesn't have one by the end of today's debate he will have to go."

Nonetheless, British economists and businessmen alike were generally elated to be free of the strict controls of the ERM. "Our view is that we are disappointed that we came out of the ERM, but now that we are out the government should take the opportunity to stimulate recovery," said Neil Williams, head of economic policy at the Confederation of British Industry.

On a day in which Ford, Britain's largest car manufacturer, announced layoffs of 1,500 workers, and Rolls-Royce announced it was cutting its work force by 950 — nearly a third — few observers saw any danger of Britain's economy, much less its inflation rate, overheating any time soon.

Most economists predict that by the end of next year inflation will be one-half to one full percentage point higher than it would have been had Britain stayed in the ERM, with the bulk of that coming from the effect of a devalued pound

Aid to Moscow Linked to Pullout

Reuters
WASHINGTON — The Senate Appropriations Committee has voted to link much of U.S. aid to the former Soviet Union to a pull-out of troops from the Baltic states.

It also approved \$12 billion requested by the Bush administration for a U.S. contribution to the International Monetary Fund, which is helping Russia reform its economy.

The actions were taken in drafting a \$14.3 billion foreign aid bill for the year starting October 1 that includes \$10 billion in housing loan guarantees for Israel. The guarantees, to be spread over five years, had been held up for nearly a year by a dispute over Israel's settlement policy on the West Bank.

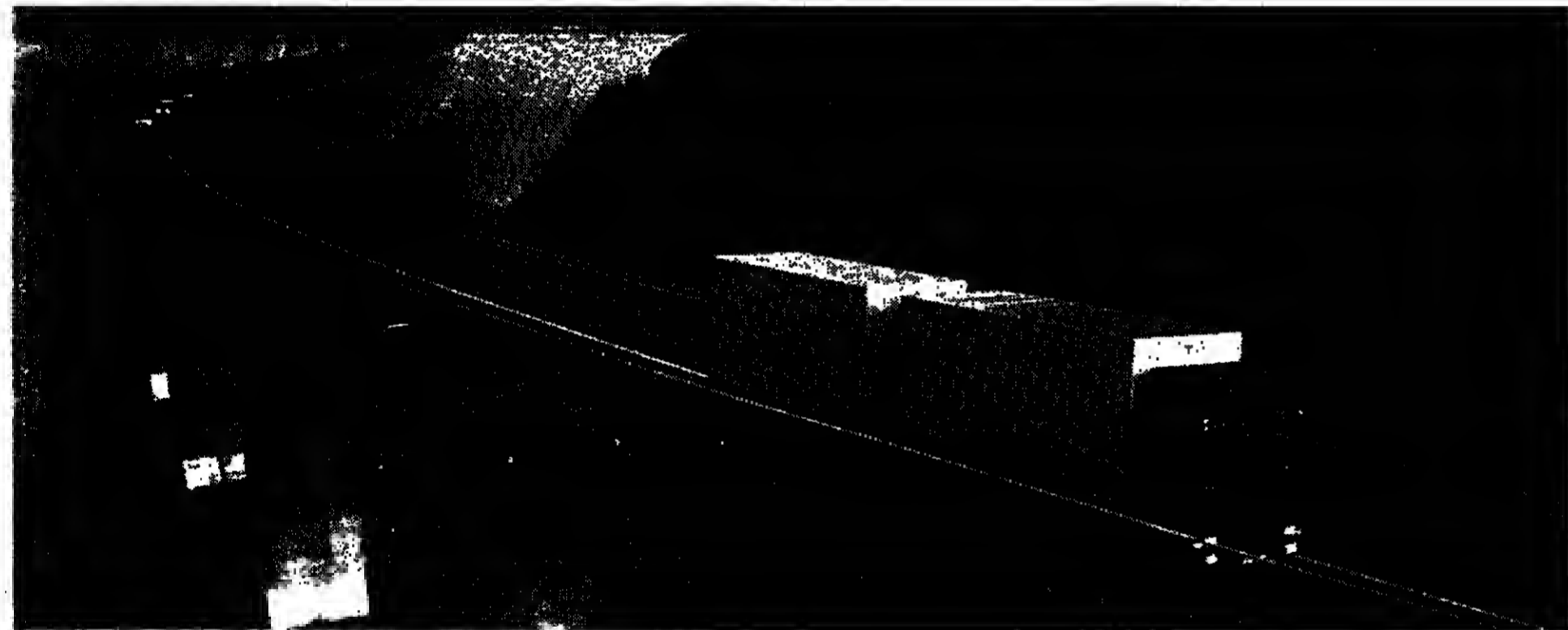
attach it," said Richard Conquest, chief economist at Daiwa Institute of Research in London, "but if he



DOWN TIME — An inmate at a jail in Toulouse on Thursday, when guards at about 100 of France's 182 prisons returned to work on the 13th day of a strike. They demanded better security after the recent killing of a guard.

We are the world's largest package delivery company. UPS was even the first to use aircraft back in 1929.

Now we are bringing an important new element to European package and freight distribution: predictability.



With the same electronic tracking and door-to-door responsibility as our air express service, these packages are really flying.

Sharing much of the technology of our worldwide air express network, from electronic tracking to Customs Pre-Alert, UPS Euro-Expedited Service could be the competitive advantage your company has been looking for.

The packages on this truck could be yours. And they could be flying between any of thirteen countries across Europe.



United Parcel Service
As sure as taking it there yourself.

For information call: Austria: 01 71103556 Belgium Luxembourg: 02 2472828 Bulgaria: 092/650277 CIS: 095/4306398 Croatia: 041/529097 Czechoslovakia: 07/816046 Denmark: 43 9786001 Estonia Latvia: 042 440595 Finland: 01 8702477 France-Monaco: 1 48925000 Germany: 06171/63140 Greece: 01/5238884 Hungary: 01/1335985 Ireland: 01/904003 Italy: 02 50791 Lithuania: 0127 73102 Netherlands: 020 631144 Norway: 02 122020 Poland: 02/6066354 Portugal: 01/8474348 Romania: 0/123092 Slovenia: 061/445051 Spain/Andorra: 91 5070888 Sweden: 020 788709 Switzerland: 041 3252788 Turkey: 01 5471220 United Kingdom: 0800/456789

JAPAN: A Guilty Plea Is Expected

(Continued from page 1)
be tacitly admitting that he lied last month when, to resigning as vice president of the party, he said that an aide accepted the money for distribution to ruling-party candidates running for re-election. In fact, according to the news reports, Mr. Kanemaru's statement to the prosecutors will admit that the money was solely for his own political use.

For the past several weeks Mr. Kanemaru has been virtually locked in his apartment in a wealthy neighborhood of Tokyo, with Japanese reporters, small bands of protesters and riot policemen surrounding the building's modest gate.

While the Japanese public is accustomed to financial scandals involving prominent politicians, what has startled people in this case is the growing evidence that the

yakuza, Japan's organized crime groups, were used by Mr. Kanemaru and other leaders of the Liberal Democratic Party to silence critics and funnel money back to the party's coffers.

In a country where plea bargaining is virtually unheard of, and where suspects can almost never evade a "request" from prosecutors to answer questions—even though there is no subpoena to Japan — Mr. Kanemaru has somehow succeeded at doing both.

Prosecutors appear to have given up hope of getting him to answer questions about his relationships with organized crime figures.

There are some indications, however, that prosecutors agreed to take the statement and move for a "summary indictment" because they feared a more serious charge of bribery would not stick.

CLINTON: Improving the Image

(Continued from page 1)
called "Home" to chat about the campaign, but also to talk about being a parent; she fielded questions with a group of other mothers during a regular advice feature called "Club Mom."

Later, in a flurry of satellite interviews with local television stations, she told one reporter after another, "I want to be a voice for children to the White House."

Mrs. Clinton says she has simply learned to provide a context for her life. Ms. Clarke, among many other observers, sees a simpler explanation: The Clinton campaign simply "pulled her back" into a more traditional role for a first lady candidate.

In the current psychosexual minifield, it is probably not surprising that the Republicans stepped on a few mines in Houston.

Kathleen Hall Jamieson, an expert in political communication at the University of Pennsylvania, has been conducting focus groups throughout the year to monitor what voters retain about the campaign.

She said she was struck, in the aftermath of Houston, that one phrase above all others was retained by many of the women in her groups: Marilyn Quayle's comment that "most women do not wish to be liberated from their essential natures as women."

Ms. Jamieson said: "The level of hostility toward her and that speech was very high. I think there was some resentment at someone standing up and telling women what choices are and are not appropriate for them."

The speech was widely taken as a lightly veiled attack on Mrs. Clinton, an attempt to create an unflattering contrast between the full-time careerist (Mrs. Clinton) and the woman who quit her legal practice to help her husband and raise her family (Mrs. Quayle).

Mrs. Quayle, to a recent article for The New York Times, said that her speech was in no way meant to criticize working women, and was badly misinterpreted.

In general, there were strong reasons for the Republicans to back down: Recent polls showed big ma-

juries rejecting or ignoring the case against Mrs. Clinton presented at the Republican convention; a Times-Mirror poll released on Thursday showed that 73 percent of those who followed those criticisms said they disagreed with them. And a majority of women now work outside the home.

ARMS: Submarine Sales

(Continued from page 1)
are to provide power and will be under international safeguards. But Washington had urged Moscow not to make the sale because it fears that Tehran will not keep its commitments and is seeking to develop nuclear weapons.

"What it all means is that the Russians will sell anything to anybody to earn hard currency and to keep production lines going," said Norman Polmar, an expert on naval forces, referring to the submarines. "It also shows that Iran again wants to be a regional power."

The United States asked Moscow not to proceed with the sale.

The Russians maintain that the deal with Iran was agreed to before the breakup of the Soviet Union and that Moscow was obliged to fulfill the contract. Pentagon officials said. They added that the first of the subs recently left Riga, Latvia, where Russians have been training an Iranian crew for a Russian naval base in the Baltic area, apparently in preparation for its trip to Iran.

Russia has already sold 12 of the Kilo-class subs to India, Algeria, Romania and Poland. They are equipped with six tubes for firing torpedoes or laying mines.

Nonnuclear submarines use their diesel engines to operate on or near the surface and to recharge their batteries. When fully submerged and operating on the batteries, the submarines run all but silent. The British searched in vain for an Argentine diesel submarine over a 30-day period during the Falklands War.

هكذا من الأصل

Akihito Asked to Apologize Students Support Chinese Demands

Agence France-Press
BEIJING — Chinese university students on Thursday joined a growing movement to press Emperor Akihito of Japan to apologize for World War II atrocities and to agree to reparations.

Student representatives from three of Beijing's leading universities tried to deliver an open letter to the Japanese Embassy here, but gave up and returned to campus after about 20 uniformed policemen moved in.

It was the first time since pro-democracy demonstrations in 1989 that students have attempted to openly protest. The heavy police presence clearly signaled the government's concern.

The students on Wednesday also launched a petition campaign aimed at gathering support on Beijing campuses and had already collected signatures at Beijing University, People's University and Beijing Normal University, three of the most active in the 1989 Tiananmen Square protests.

Students staged anti-Japanese demonstrations in September 1985 that the authorities moved quickly to nip in the bud.

The open letter demanded that Akihito "publicly apologize for crimes" committed during Japan's 1931-1945 occupation of China, when an estimated 20 million Chinese were killed or injured.

It also called on the Japanese government to unconditionally make "reasonable" war reparations and withdraw from a disputed island group in the East China Sea.

Akihito, the son of the wartime emperor, Hirohito, is scheduled to begin a six-day visit to China Oct. 23, the first ever by a Japanese emperor. The Chinese government has said it would not ask him to apologize.

Beijing formally dropped its demands for war reparations when it established diplomatic relations with Tokyo on Sept. 29, 1972.

But a grassroots movement has rekindled the issue, arguing that the Chinese people still have the right to seek damages.

A new group, the Chinese Popular Committee for Japanese Reparations, was formed Sept. 15 and has already collected more than 300,000 signatures for a petition demanding \$180 billion in reparations, its organizer said.



WRECKAGE AS PLAYGROUND — Children playing on a broken bridge at the Cambodia-Thailand border Thursday. A United Nations vehicle fell through the wooden bridge last week.

ASIAN TOPICS

New Islamic Bank Is Indonesia's First

Indonesia, the world's most populous Muslim country, now has its first Islamic bank. The Associated Press reports from Jakarta. Bank Muamalat Indonesia has an initial capital of about \$52.4 million. President Suharto is listed as one of the bank's 23 "founding fathers."

Establishment of the bank is widely seen as one of several moves by Mr. Suharto to rally support for his secular government in traditional Islamic circles. He also made his first pilgrimage to Mecca last year.

Islamic banking is based on a verse of the Koran forbidding usury. Instead of charging interest on its loans, the bank gets a

fixed percentage of the borrower's profits.

Eighty-eight percent of Indonesia's 180 million people are Muslims. Indonesia is a secular state, however, with no official religion. Promoting a change to an Islamic state is against the law. People convicted of being Muslim radicals have been sentenced to death or long prison terms.

But the rise of Islamic consciousness has prompted Mr. Suharto to make several concessions in recent years. Islamic courts have been established to hear family cases. Women students in state schools are allowed to wear veils in class.

Around Asia

For India's border guards along the Rajasthan desert frontier with Pakistan, stray camels ambling through the haze have become more than a familiar part of the barren landscape. Some of the animals have been found to be carrying packages of

heroin strapped to their stomachs. Anti-narcotic officials say the "homing" camel is a new twist in smuggling and one that, given the vastness of the frontier, is difficult to combat. "This one has stumped us," a senior intelligence official conceded. A Western diplomat said, "The concept of homing camels is unique in the world." The camels are trained to head for a certain destination where they presumably are rewarded with food and water.

With a growing United Nations peacekeeping presence in Cambodia, some people are naming their babies after UNTAC, the UN Transitional Authority in Cambodia. The acronym has a pleasant sound in the Khmer language. One parent said those who name their children Untac want them to be "powerful like UNTAC, and drive around everywhere in fast cars like UNTAC."

Arthur Higbee

U.S. Focuses on MIA 'Discrepancy Cases'

By Barbara Crossette
New York Times Service

WASHINGTON — On May 18, 1965, when the U.S. war in Indochina was still in its early stages, Captain David L. Hrdlicka, an air force pilot, was shot down in an F-105D over Laos. He walked away from the crash and into oblivion.

There is evidence he survived. The Communist Pathet Lao who apparently captured him took pictures. One appeared in Pravda in Moscow and in a daily newspaper in Hanoi; another was later displayed in a Laotian museum. His arrest was announced on the radio. The Pathet Lao also broadcast a tape recording, purportedly made by the pilot, asking for pardon and release.

In Washington, Captain Hrdlicka was registered as a prisoner of war, an early entry on a list that would contain hundreds by January 1973, when Hanoi and the United States signed a peace agreement.

Captain Hrdlicka was out among the 591 U.S. servicemen returned by Hanoi in Operation Homecoming. Like Private First Class Jon Sparks, ambushed in central Vietnam; Lieutenant Ronald W. Dodge, who ejected from an aircraft over North Vietnam, and dozens of other servicemen and a few civilians in official custody, Captain Hrdlicka became a "discrepancy case."

His name was placed on a non-comprehensive list of 82 servicemen who inexplicably did not return, to be presented to Hanoi a few months after the Paris peace treaty negotiated by Henry A. Kissinger, President Richard Nixon's national security adviser and later secretary of state. The Vietnamese never responded to requests for information.

Amid the blizzard of documents circulating in Washington as the Senate Select Committee on POW-MIA Affairs tries to narrow and identify the number of Americans who may have been left behind in Indochina when U.S. forces were withdrawn, that just-declassified 1973 list has become another piece in an unfinished puzzle.

In hearings this week, Nixon administration officials have sparred over what was known in 1973 about the missing, reflecting confusion and controversy.

None of the officials, including Mr. Kissinger and two former secretaries of defense, Melvin R. Laird and James R. Schlesinger, were able to say categorically that no Americans had been left behind.

In dispute was whether anyone could confirm that Americans were alive in captivity when the United States withdrew. Hanoi had denied access to its prisons to the International Committee of the Red Cross.

Separate investigations by the Defense Intelligence Agency and the Senate Select Committee indicate that there are still between 100

and 200 discrepancy cases awaiting attention by Hanoi or the Laotian government.

But the two lists, while similar in length — 133 for the Select Committee, 135 for the Pentagon — are not the same; only about 40 names appear on both.

When Operation Homecoming began in early 1973, the United States listed 1,929 servicemen as POW-MIA. About 1,100 others were classified as KIA-BNR — killed in action, body not recovered.

All people lost in covert operations were apparently on those lists, including 150 to 200 whose places of death were falsified to hide their presence in Cambodia or

Laos, where Americans were not supposed to be.

Nixon administration officials have said repeatedly this week that these figures do not mean there were large numbers — if any — of live prisoners identifiable absolutely by name and location when U.S. forces were withdrawn, only that there were a significant number known to have survived a crash or capture. Hanoi has consistently maintained it held no U.S. prisoners after 1973.

Nearly all officials involved with the POW-MIA issue are certain that no Americans have survived. Many family members believe otherwise.

Officially, Washington still lists

2,266 Americans as unaccounted for in Indochina, more than half the cases involving unrecovered bodies. Of the remainder, the Defense Department says Hanoi could help explain at least 80 to 100 of its 135 discrepancy cases.

What officials are looking for in these cases is not living Americans. They are looking instead for explanations of what happened to those who did not come home.

Some cases have been closed by Hanoi. The remains of Lieutenant Dodge, of whom Vietnamese officials denied knowledge in 1973, were later returned without explanation. His story has become a symbol of the mysterious behavior of Vietnam on the issue.

PROVISIONAL AIRPORT AUTHORITY HONG KONG

EXPRESSIONS OF INTEREST

The Provisional Airport Authority is now developing Hong Kong's replacement airport.

The Authority is interested in receiving expressions of interest in connection with the award of a licence to design, finance, construct and operate the

AVIATION FUEL SUPPLY, FUEL STORAGE AND DISTRIBUTION SYSTEM

at Hong Kong's replacement airport.

Interested parties, who consider that they can successfully undertake such operations, are invited to register for the applicable documents by writing to:

Commercial Division,
Provisional Airport Authority Hong Kong,
25th Floor, Central Plaza,
18 Harbour Road,
Hong Kong
FAX NO: (852) 824 2786

The closing date for submission of expressions of interest proposals is 2 November 1992.



Aarnout A. Loudon, Chairman of the Board of Management of Akzo

I'm only the boss

"Being a young global company can cause the occasional growing pain but it has a lot of advantages. We can avoid the mistakes made by our older brothers. For us, decentralization

doesn't mean turning everything upside down. It has always been a part of our culture. We now have 40 highly independent business units. My job is to set the framework. And give them

room to move within it. I'm involved, but I don't interfere. Our business units are both global players and local entrepreneurs. It's all part of creating the right chemistry."

Akzo is one of the world's leading companies in selected areas of chemicals, fibers, coatings, salt and health care products. Some 63,000 people, active in 50 countries around the world, make up the Akzo workforce. For more information, write or call: Akzo nv, ACC/H1, P.O. Box 9300, 6800 SB Arnhem, the Netherlands. Telephone (31) 85 66 22 66.

CREATING THE RIGHT CHEMISTRY



صوتنا من الامم

Bush Iran-Contra Denials Under Attack

Compiled by Our Staff From Dispatches
WASHINGTON — George Bush, while vice president, became an influential "advocate" of separate arms deliveries to Iran for each freed hostage at a critical stage of the Reagan administration's covert dealings with Tehran, according to Richard V. Secord, the chief logistics officer for the operation.

Mr. Secord's allegations, contained in a new book distributed Thursday at a press conference here, could add to the credibility problems confronting Mr. Bush on the Iran-contra scandal as the presidential campaign heats up. Mr. Bush has repeatedly said he was not a decision maker in the Iran-contra affair and once described himself as having been "out of the loop."

"Bush has claimed to have been 'out of the loop' with respect to the Iran initiative. That's absolutely false," said Mr. Secord, a former air force major general who ran covert arms

pipelines to Iran and Nicaraguan rebels for the Reagan White House.

Meanwhile, Howard Teicher, a former National Security Council staffer, said on ABC News's "Nightline" that "I myself briefed the then-vice president several times" about the Iran initiative.

To still another development, informed sources said a note among the papers of Caspar W. Weinberger refers to a meeting attended by Mr. Bush when Mr. Weinberger, then defense secretary, expressed opposition to covert arms sales to Iran.

The note, which appears to contradict Mr. Bush's repeated assertion that he was never present when Mr. Weinberger or George P. Shultz, then secretary of state, objected to the covert sales, was among classified documents being reviewed for Mr. Weinberger's upcoming trial.

Mr. Secord said Mr. Bush nudged the initiative for secret arms sale to Iran forward

after being briefed by the head of Israeli counterintelligence, Amiram Nir, during a July 1986 visit to Jerusalem.

A White House spokeswoman, Judy Smith, reacted to Mr. Secord's remarks by saying, "There is no truth in his allegation" and that the matter has been fully looked into, CNN reported.

The spokesman for Governor Bill Clinton, the Democratic presidential nominee, demanded Thursday that Mr. Bush "come clean with the American people" on his administration's dealings with Iraq and Iran.

"Time after time," George Stephanopoulos said, "his administration secretly deals with dictators and terrorists, to the detriment of U.S. interests. Then, when the policy blows up, Bush and other officials deny the facts and try to cover up. When it comes to Iraq, like Iran-contra before it, Bush's flat denials are consistently refuted by the evidence."

(WP, Reuters, AP, IHT)

Pentagon Finds Flaws In Wings Of C-17 Jets

By Ralph Vartabedian

Los Angeles Times Service

LOS ANGELES — A Pentagon investigation has found serious defects that could result in premature cracks in the wings of the McDonnell Douglas C-17 cargo jet — potentially the most severe problem yet in the long-troubled program.

The flaws, revealed in a report obtained by the Los Angeles Times, have prompted questions about the safety of the aircraft. Remedying the problem would significantly increase the program's cost and further delay production.

The investigation by the Pentagon's inspector general means more bad news for the company's Douglas Aircraft unit in Long Beach, California, where thousands of workers have lost their jobs in recent years.

The air force plans to buy 120 C-17s for an estimated \$40 billion. The program is already about \$1 billion over budget, a cost borne so far by the company, and development of the C-17 is more than a year behind schedule.

Potential safety risks resulting from the wing flaws and the cost to remedy the defects are not known, but the government is "not protected" financially and needs to urgently conduct testing to determine the extent of the problem, according to a memorandum to air force officials attached to the report.

The investigation found that the quality standards for the C-17 did not comply with government requirements.

Israeli-Syrian Talks Wind Up Without Major Breakthrough

By Jackson Diehl

Washington Post Service

WASHINGTON — Israel and Syria ended the latest round of Middle East peace talks here Thursday without achieving the breakthrough that both governments last week saw as possible and that had stirred excitement and apprehension around the Middle East. Israeli and Arab officials said.

Israeli negotiators had made the negotiation of a joint Israeli-Syrian statement of principles their key goal in the current round of talks, and Syrian spokesmen said last week they would be willing to draw up the document. This prospect was seen by American officials as a potential breakthrough in the 10-month-old negotiations and held the promise of a historic step by Israel and Syria toward mutual acceptance.

[Although significant differences remain, the atmosphere and tone of the talks were "infinitely better than before," The Associated Press reported from Washington, quoting Israel's chief negotiator with Syria, Itamar Rabinovich.

"For the first time the parties became engaged," he said. "We dove into deep water, into the main issues."

[All four sets of Arab-Israeli talks will resume Oct. 21, he said. Negotiators from both sides said Thursday that this was the first round since the talks began in October in which the sides engaged in real negotiation.]

The Israeli-Syrian talks have become the focus of attention in the overall Middle East negotiations, which also include talks between Israel and Jordan, Lebanon and the Palestinians. To some extent, how-

ever, the negotiators appear to have fallen victim to initial success, officials said.

Signs of progress earlier this month, including a statement by Israel accepting the exchange of occupied Syrian territory for peace, prompted a stormy reaction in Israel from right-wing opponents of withdrawal as well as pressure on Syria from the Palestinians and other Arabs, who were eager that Syria not strike a separate agreement with the new left-wing Israeli government.

Israeli and Syrian officials said that while they had agreed on several key elements of a joint statement outlining a solution to their 44-year-old conflict, wrick had stalled over a so-far-intractable dispute about priorities.

Syria says it will not discuss the terms of a peace settlement until Israel commits itself to a full withdrawal from the Golan Heights it captured in 1967, while Israel says it will not discuss withdrawal until Syria makes it clear that it is ready to sign a formal peace treaty and normalize relations.

While expressing disappointment over that continuing standoff, spokesmen from both sides as well as American officials sought to strike a positive overall tone about the negotiations.

"Progress has not matched our expectations," said Mr. Rabinovich. "But if you look at the round as a whole, I'm pleased."

The Syrian foreign minister, Farouk Shara, meeting at the United Nations with Acting Secretary of State Lawrence S. Eagleburger, told reporters that his government was prepared for "total peace" with Israel in exchange for "total withdrawal."

A senior American official said after the meeting that while he "didn't see anything new in that formulation," Mr. Eagleburger had "heard something interesting" from Mr. Shara that would be conveyed to Israel and that might have an impact on future rounds of negotiation.

Syrian officials said Israeli negotiators had pledged to "reformulate" their position before the next round of talks, raising hopes that the current stall can soon be overcome.

Bush and Baker Differed on Iraq in '90

By Elaine Sciolino

New York Times Service

WASHINGTON — As the Bush administration was trying to preserve its friendship with President Saddam Hussein of Iraq just before he invaded Kuwait, Secretary of State James A. Baker 3d was urgently warning that Iraq was secretly using American technology in its huge arms buildup, according to government documents.

Mr. Baker's warning, aimed at tightening restrictions on the sale of U.S. technology, occurred at the same time that the administration was still privately assuring Mr. Saddam that the United States wanted better relations.

The mixed signals suggested that the administration was torn over how to deal with the Iraqi leader as evidence that the relationship had turned sour increased.

Mr. Secord said Mr. Bush nudged the initiative for secret arms sale to Iran forward

crat of Connecticut, also provided evidence that seems to contradict President George Bush's public assertions in recent months that the United States did nothing to enhance Iraq's nuclear, chemical, biological or ballistic missile programs.

In his statements, Mr. Bush seemed to be saying that the government itself did not make military-related sales to Iraq.

But from 1985 to 1990 the two administrations approved the sale of \$1.5 billion in technology and equipment that had civilian and military use through a complicated licensing procedure.

On July 25, 1990, as Mr. Saddam was massing tens of thousands of troops on the Kuwaiti border, Mr. Baker sent a one-paragraph note to Robert A. Mosbacher, who was then secretary of commerce, urging the imposition of new controls on the sale of equipment and technology that could contribute to Iraq's arms programs.

The letter was based on a memo he received six days earlier drafted by the heads of four State Department offices explaining the need for new export controls.

"Iraq's extraordinarily aggressive weapons proliferation efforts make this situation urgent," Mr. Baker wrote.

On the same day Mr. Baker sent the letter, April C. Giassie, the U.S. ambassador to Iraq, was assuring Mr. Saddam in a meeting in Baghdad that Mr. Bush had instructed her to "broaden and deepen our relations with Iraq."

Mr. Saddam also said he wanted American friendship, "although we will not part for it," he told the ambassador.

On July 28, five days before Mr. Saddam moved into Kuwait, Mr. Bush sent him a similarly warm response.

"My administration continues in desire better relations with Iraq," Mr. Bush said.

Rabin Runs Into a Public Opinion Roadblock Over the Golan Heights

By Clyde Haberman

New York Times Service

JERUSALEM — Selling the Israeli public on the possible need to give up part of the Golan Heights is proving to be more of a challenge for Prime Minister Yitzhak Rabin than it had seemed when he raised the idea two weeks ago.

At first, most Israelis accepted Mr. Rabin's land-for-peace proposal with surprising equanimity, apparently trusting that the former General Rabin was not about to strike a deal with Syria that would compromise national security.

But as peace talks continue inconclusively in Washington, Israeli opposition to territorial concessions has percolated and expanded, setting in motion a national debate on Israel's disputed territories that has acquired a sense of urgency not felt in years.

Whether that urgency is warranted is another matter, for nothing tangible seems likely to happen for a while.

Mr. Rabin reportedly told a parliamentary committee that "large-scale decisions" were at stake and they would have to be made at a higher level than the negotiating teams in Washington.

His comments added fuel to recent reports, played down by Israeli officials, that the United States and Egypt are trying to arrange a meeting between Israel's leader and President Hafez Assad of Syria.

Despite occasional bursts of optimism that the two countries are nearing a breakthrough, a lot must still be done to bridge the gulf between Syria's demands for return of the entire Golan Heights and Israel's insistence on a full-blown peace treaty that, in the prime minister's words, "can stand on its own two feet."

Not surprisingly, the 12,000 Jewish settlers with homes and livelihoods on the Golan are generally against any territorial concessions.

Most of them voted for Mr. Rabin's Labor Party in the Israeli election in June, and some feel

betrayed now by the prime minister, who in his campaign had played down the possibility of giving back land to Syria and instead had emphasized that Israel would "never come down" from the Golan Heights.

Hundreds of Golan protesters demonstrated outside parliament on Monday, including some chanting, "Rabin is a traitor!"

Other Golan settlers plan to march this week to Jerusalem. Ten days ago, Israeli negotiators returning in Washington for the peace talks were sent on their way accompanied by jeers from several thousand anti-government protesters at the airport.

In parliament, the rightist Likud party, toppled by Labor in June and still something of a shambles, has managed to galvanize itself on this issue. It demanded and won a special parliamentary session that was broadcast live Monday and gave its leaders a national audience for their assertions that the Rabin government was endangering Israel's security by even thinking about giving up a piece of the Golan.

The result, Likud said, would be a meaningless peace treaty that would not stand on its own and would instead find Israel on its knees.

One of the few guides to what the public at large may be thinking was an opinion poll published last Friday by Yediot Aharonot, the country's largest-selling newspaper.

In the survey, 50 percent said that under no circumstances would they yield any part of the Golan, while 34 percent said they would give back but a small part. Only 6 percent said they would hand it all back.

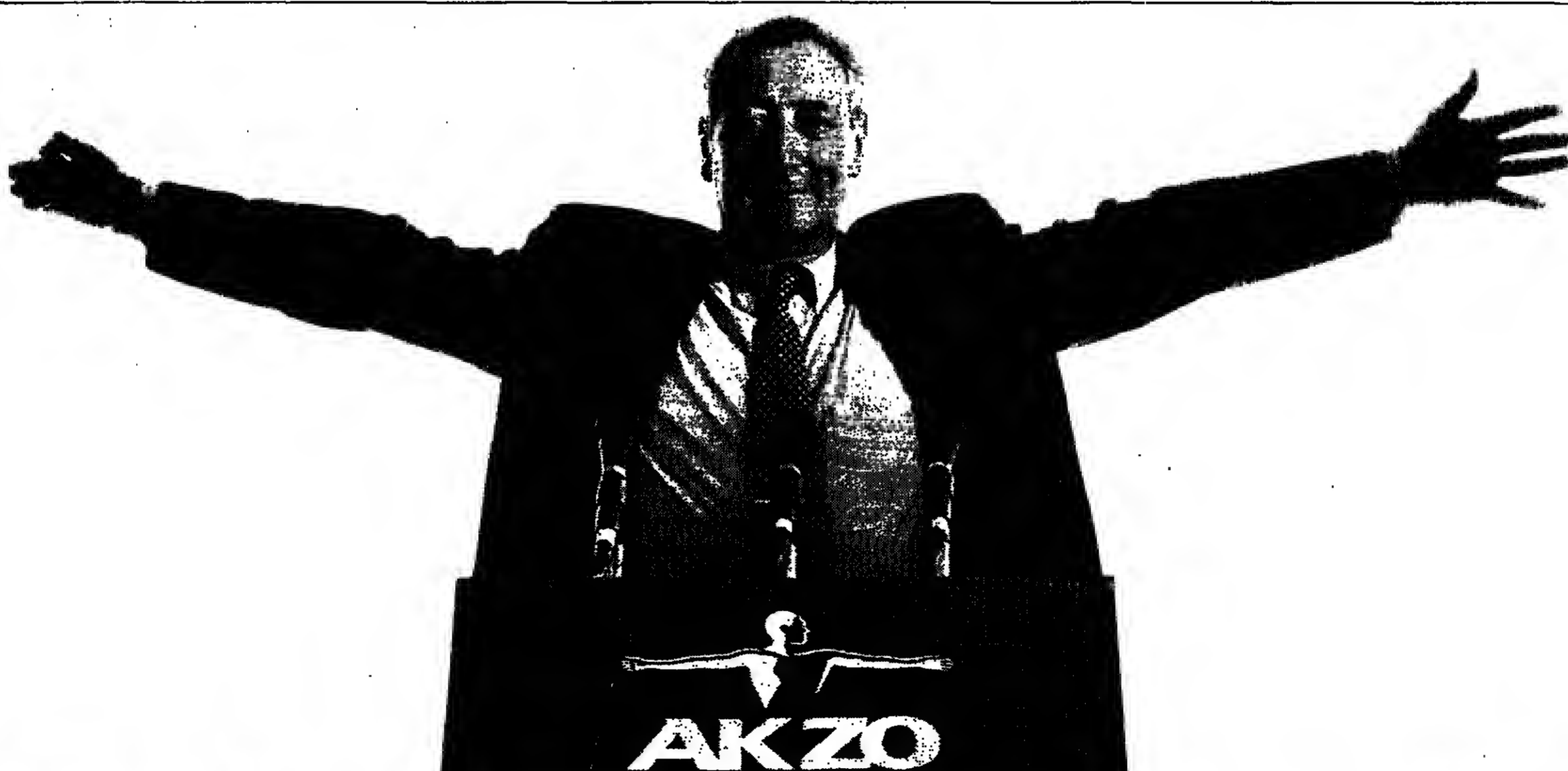
But the debate has a conspicuously different texture from the more familiar disputes of recent years over the occupied West Bank and Gaza Strip.

When it comes to the Golan, the fights are for the most part over cold security questions and not the ideological claims in God-given land or the anguish of military occupation that go far to define the Israeli-Palestinian conflict in the West Bank and Gaza.

And unlike many West Bank settlers, Israelis on the Golan acknowledge that they are likely to give in if the government orders them off the land and not take a defiant stand, as some settlers did when Israel gave Egypt back its last piece of Sinai 10 years ago.

In that sense, Golan residents are probably more typical of average Israelis than West Bank settlers are. So the pain they now feel may be more widely shared by other Israelis than the unhappiness of West Bank residents who also feel they have been wronged by the Rabin government.

Mr. O'Keefe said he had decided not to remove Admiral Howard because he was confident that he had performed as well as possible during the Tailhook investigation. He said the failure was not Admiral Howard's but that of officials and officers reporting to him.



Hans van Oosterom, Executive Vice President Strategic Planning Akzo

This small

"Dealing with Akzo means dealing with business fields who are right in the forefront of their chosen field. So it may surprise you that we haven't the slightest inclination to become one of the world's largest chemical companies. We much prefer to be big in the areas we choose. Yes, we make acquisitions. But never just to grow bigger. Only if it adds value to our existing operations. Yes, we penetrate new markets. But only if we're pretty sure we can do a better job than the competition. We don't want to be the biggest. We do want to be the best. And for that, you have to create the right chemistry."

Akzo is one of the world's leading companies in selected areas of chemicals, fibers, coatings, salt and health care products. Some 65,000 people, active in 50 countries around the world, make up the Akzo workforce. For more information, write or call: Akzo nv, ACC/M2, P.O. Box 9300, 6800 SB Arnhem, the Netherlands. Telephone (31) B5 66 22 66.

CREATING THE RIGHT CHEMISTRY **AKZO**

Herald Tribune

Float or Get Together

As Europeans bitterly assess the damage, this month's wave of currency speculation continues to churn up the markets. Episodes like these are immensely costly to governments defending their currencies, and among the losers they leave a deep sense of having been wronged. Speculators have never been popular figures. France's embattled minister of finance grimly observed on Wednesday that in the French Revolution they were guillotined. But controlling these immense flows of money is now beyond the power of governments.

Nicholas Brady, U.S. secretary of the Treasury, estimates that the money moving through the world's foreign exchange markets approaches \$1 trillion a day—10 times the entire output of the world's economy.

Speculation becomes inevitable when governments inadvertently set up a one-way bet. Traders knew two weeks ago that the British pound might be devalued against the German mark. But they also knew that there was no chance, zero, that the reverse would happen—that the pound might rise against the mark. It meant that a trader who sold pounds to buy marks risked nothing and might gain a lot. Most of the sellers were people who thought of themselves not as speculators but merely as prudent managers—corporate treasurers, for example, who wanted

to avoid any risk of loss in a devaluation. By selling pounds massively they forced down its price and the rumors of devaluation became self-fulfilling.

It was not the first time. Speculation on a much smaller scale in 1973 destroyed the world's postwar system of fixed exchange rates. The early 1970s mark the point at which private capital in international finance decisively outweighed governments' reserves. Ever since then the American dollar has floated, its price set by daily trading and not by government decision.

The British were vulnerable because their pound was not floating. Britain was committed to holding it close to a fixed rate against the other currencies of the European monetary system. The idea—a very good idea—was to encourage trade with other European countries by guaranteeing the exchange rates. But the moral of the story seems to be that any sort of fixed-rate currency system is dangerous.

Countries follow different policies, and they grow at different rates. The massive scale of this month's waves of speculation seems to argue that there is no safe position for Europeans between floating, as Britain and Italy are now doing, or moving to a common currency, as the Maastricht treaty would require.

—THE WASHINGTON POST.

Time for UN Reforms

In this post-Cold War down when immense new responsibilities are being heaped upon the United Nations, it is necessary (however disheartening) to learn of the structural and managerial inadequacies that diminish that still vital organization. This is the sum of this week's series of detailed reports by Washington Post writers William Branigan and Keith Richburg on the management and mismanagement of the institution. "Reform" has been in the air at the United Nations for some time, and they informed readers what reform must be about.

The writers found a sprawling jerry-built bureaucratic domain lying on the edge of, and often beyond, executive control. This was so in major programs ranging through development, relief and peacekeeping and in other programs conducted in some obscurity. Waste, inefficiency and corruption would be bad enough if it were just a case of money, time and manpower misspent. It becomes worse when the costs are measured in lives and opportunities lost and communities and countries let down. The contrast between the high purposes of the United Nations and the low level of delivery of some of its services is stark and should be regarded as intolerable.

The new secretary-general, Boutros Boutros

Ghali, has taken preliminary steps of reform. Like many others, the American government voices strong support but does not always measure up to its own professed standards. It will not be easy to bring under control a bureaucracy so unaccustomed to regular and responsible oversight. The "culture" of the United Nations tends to favor informal accommodation among the many members seeking billets and perks, over the requirements of organizational efficiency. Among the Third World low-dues majority there is a viable tendency to resist managerial strictures as decrees from the high-dues developed countries.

Which is to say that at the United Nations, and not only there, everything is political. But that does not relieve either individuals who serve the institution or nations that benefit from it from redoubling their determination to make the place equal to its expanding mission. President George Bush offered some suggestions for peacekeeping, among other items, to the General Assembly the other day. The United States and all the other democracies need to step up their dues promptly. All these things need work and reform, too.

—THE WASHINGTON POST.

Leave for the Family

In a late-night veto designed to escape attention, President George Bush has rejected a family leave bill that guarantees time off, without pay, to workers dealing with family or medical emergencies or a new child. But congressional Democrats and Republicans can still give a boost to family values by overriding the veto.

The bill provides up to 12 weeks of unpaid leave to an employee with a newborn or newly adopted child or with a serious family or medical emergency. It applies to businesses with 50 or more employees, but exempts the highest-paid workers. These are reasonable provisions well within the benefits provided in other industrial countries.

Mr. Bush says he favors the goals of the bill, but not the means. He insists that it would be better to let businesses decide on their own to provide such benefits, encouraged by a refundable tax credit for businesses that institute family leave policies. That may not be a bad idea in principle, but Mr. Bush invites skepticism about his sincerity when he suggests this new approach so late in

the legislative process, making it virtually impossible to reach meaningful compromise.

Some of his arguments against the family leave bill are reminiscent of his attacks on the Civil Rights Act of 1991. In a speech to corporate women, he suggested that the family leave bill might encourage subtle sex discrimination. "How many employers will think they're not hiring a woman instead of a man?" he asked.

Congress ought to reject such a specious argument. The last recorded Senate vote on the bill was 65 to 32, not quite enough to override a veto, but three supporters were absent. The Senate supporters of the bill, including 15 Republicans, need to stand fast in the override vote. They can set an example for the House, which passed the bill by a 241-to-161 margin, far short of the necessary two-thirds to override.

This bill may not be perfect, but it sends an important signal about how society values families and children. Congress ought not to let Mr. Bush have the last word.

—THE NEW YORK TIMES.

Other Comment

Europe After the French Vote
Although the French finally approved the referendum on European union, the discussion in France and Europe shows the force of nationalities.

The approval of Maastricht, nevertheless, would have many positive aspects for Europe and the world. It constitutes a road already traveled in good measure, to allow Europeans to remain a center of political and economic strength. It assures them a better standing against the power of the United States, and against a resurgent Asia.

All this would contribute toward a balance of power, and thus bolster the peace.

—La Nación (Buenos Aires).

Politicians will need to go back to the drawing board, and this is not necessarily a bad thing. There has been about the process of European integration a surge in the way the bureaucrats and the politicians have taken their elections for granted.

The desire in Europe to bind the nations together is still a powerful and compelling force. However, it appears that the ambition for full monetary union was premature.

—The Australian (Sydney).

There is one proven recipe for success in European policy: If France and Germany pull on the same rope, policies will move forward. But for years, the two have followed

policies oriented too much toward themselves. This almost caused a serious setback for European unification. The most important result of the otherwise unproductive French referendum could be that the French-German tandem now gains new steam.

—General Anzeiger (Bonn).

UN: Bush Needs to Choose
U.S. attitudes toward the United Nations have changed from the suspicion of its leftist, Third World tilt during the Reagan years to current enthusiasm for its usefulness in solving international dilemmas. But U.S. policy has not caught up. Either the world body is not as useful as the Bush administration says, or the United States is not supporting it sufficiently. Choose one.

President George Bush did not choose, however, in his annual address to the UN General Assembly on Monday. He hailed the UN role in keeping peace and promoting world prosperity. He praised Secretary-General Boutros Boutros Ghali's "Agenda for Peace," without contributing funds or troops to the standby force the secretary-general seeks. He announced that U.S. troops will be trained for peacekeeping, not that they will be assigned to it. Most significant, where the United Nations lives week to week by a giant shell game of shifting funds, the president did not offer any new funding.

—The Baltimore Sun.

INTERNATIONAL HERALD TRIBUNE
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen

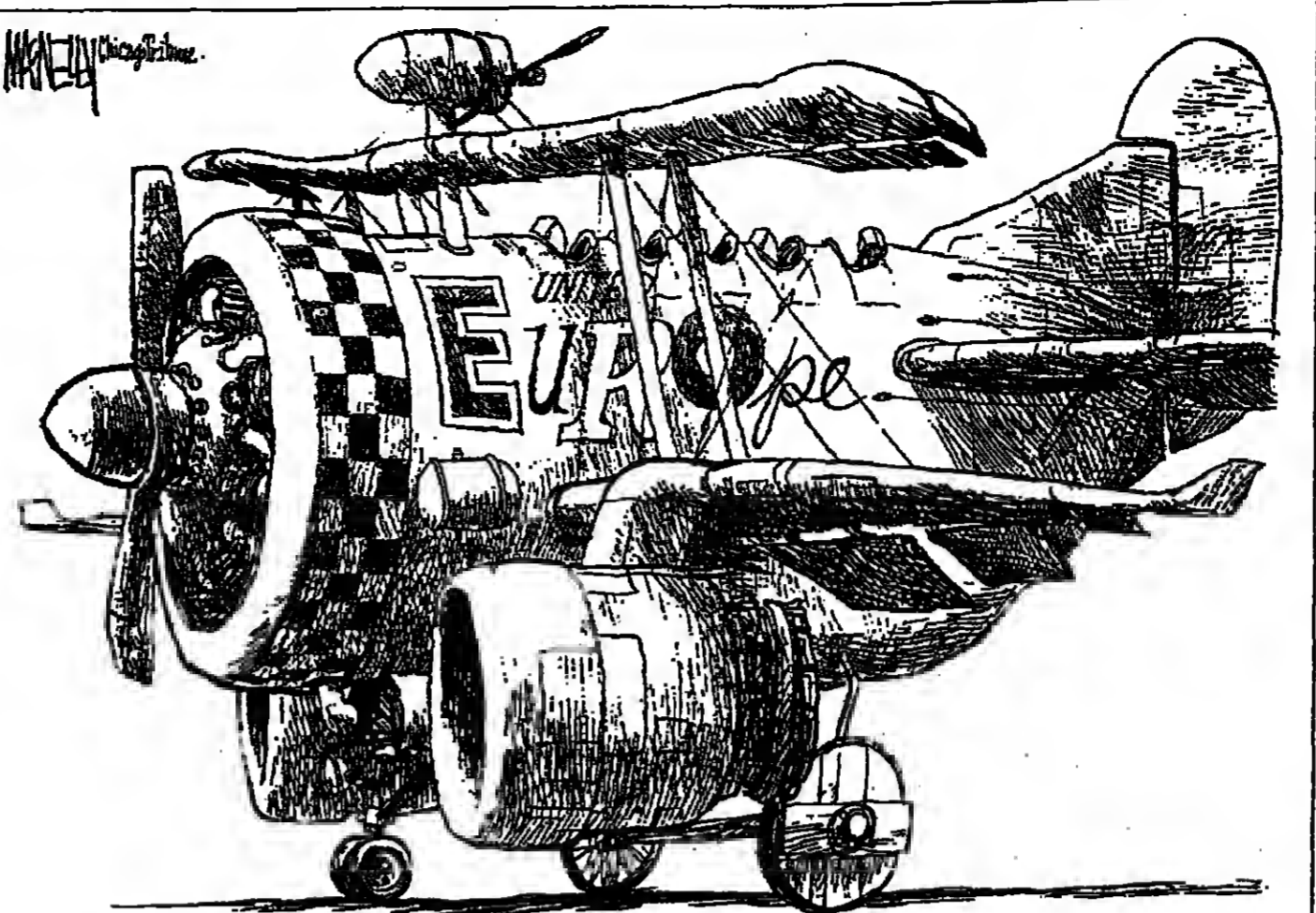
LEE W. HUEBNER, Publisher

JOHN VINCIGUERA, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELLMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages • REGINALD DALE, Economic and Financial Editor

RENÉ BONNY, Deputy Publisher • RICHARD H. MORGAN, Associate Publisher
JUANITA L. CASPARI, Advertising Sales Director • ROBERT FARRÉ, Circulation Director, Europe
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France
Tel: (1) 46.37.93.00. Telex: Circulation, 612932; Editorial, 612718; Production, 630698.

Director of the Publication: Richard D. Sullivan
Chairman from 1958 to 1982: John Hay Whitney

Editors for Asia: Michael Richardson, 5 Cavenish Road, Singapore 0511. Tel: 472-7768. Telex: R556928
Mtg. Dr. Asia, Ruff D. Kruppsh, 30 Gloucester Rd. Hong Kong. Tel: 8610616. Telex: 61170
Mtg. Dr. U.S.: Gary Thorne, 63 Long Acre, London WC2E. Tel: R36-4802. Telex: 362009
Gen. Mgr. Germany: W. Laatzbach, Prandelsloh, 15, 4000 Frankfurt/M. Tel: (069) 726755. Telex: 416721
Pres. U.S.: Michael Connor, 850 Third Ave., New York, N.Y. 10022. Tel: (212) 753-3890. Telex: 471775
S.A. un capital de 1.200.000 F. RCS Numero 87330211-26. Commission Paritaire No. 61337
© 1992. International Herald Tribune. All rights reserved. ISSN: 0294-8052.



Toward Union, Maybe More Slowly but Still Surely

By Flora Lewis

PARIS—It was a chilling lesson for many politicians who had taken voters for granted. But, obituaries on European monetary union, the Treaty of Maastricht, indeed the whole European movement after the squeaky thin French vote to ratify are more than premature. They've got it wrong.

The plunge to Euroscepticism following a French campaign that rivaled the current American election campaign for nasty, cheap distortion

Constituencies are purely national, even in elections to the European Parliament, and every candidate knows who can vote. Economics, especially in Europe as the single market is put into place and especially in finance as money moves at computer speed, are fragile.

Movement of funds equaling \$20 billion in one afternoon brought down the pound sterling. On a normal day, however, London alone handles the exchange of \$200 billion worth of currencies. No government can fight that unless it wants to cut its country off from all benefit of trade.

The European drive has had bigger setbacks before, but it was revived and renewed because it was necessary. It still is.

and misrepresentation is as extravagant and unjustified as the euphoria proclaiming the birth of superpower Europe six months ago.

There has been an important, basic change. It is recognition by leaders and technocrats that they cannot create a new Europe by themselves, with a magic wand and incantations. Their job is not only to conjure the future but to show people why it can be faced with confidence and give it living substance.

The gap will last for a long time, because national identity also remains a reality. It will simply have to be accommodated.

True, a single European currency and central bank will deprive governments even of the illusion of being able to manage their economies independently by monetary manipulation. But it is an illusion, and can be costly, as France found out when it tried in 1981-1983—although not surprisingly President François Mitterrand's government did not choose to remind voters how it came to learn that lesson.

That it's Brussels fault. That is politically convenient, although it can boomerang.

The myths are persistent and used. Philippe de Villiers, a leader of the "no" campaign, warned on television that Maastricht would end "France's exceptionalism" in the world. Everybody responsible knows that there is no such thing anymore. But, as a former French ambassador said, "no politician would dream of admitting it."

Another widespread self-intoxication is the idea that America, Japan and Russia fear and oppose a strong and united Europe. The newspaper Liberation even quoted opinion-makers from all three countries urging ratification of Maastricht, then went on to say, without quoting anybody, that this was hypocritical because they really, secretly, were against it.

The extensive self-congratulation by politicians and media on how the debate proved the vigor of French democracy was hard to understand. It explained nothing and was full of egotism, including a last-minute warning from the Gaullist Charles Pasqua that the French language was to be suppressed right after the French franc. Even if they are not sure what the truth is, a lot of people know that they are not being told the truth and resent it.

The European drive has had bigger setbacks before, but it was revived and renewed because it was necessary. It still is, perhaps more than ever with the desperate disarray in the East and Germany's painful reification.

That is the only real change. The underlying forces driving Europe to greater unity remain the same. Separate states cannot handle their biggest problems alone anymore, not only global issues like environment and crime but supposedly national issues like jobs, investment, money. The European states depend on each other, whether as partners or rivals.

There is a strain between politics and economies which tends to blur this fact. Politics remain territorial, especially in democracies.

The gap will last for a long time, because national identity also remains a reality. It will simply have to be accommodated.

True, a single European currency and central bank will deprive governments even of the illusion of being able to manage their economies independently by monetary manipulation. But it is an illusion, and can be costly, as France found out when it tried in 1981-1983—although not surprisingly President François Mitterrand's government did not choose to remind voters how it came to learn that lesson.

The European drive has had bigger setbacks before, but it was revived and renewed because it was necessary. It still is, perhaps more than ever with the desperate disarray in the East and Germany's painful reification.

There should be no surprise that many fear change and that people cling to the comforts of each unique culture and set of traditions. They are not going to fuse into a huge, homogeneous blob. But neither can they backtrack from the dynamics for "closer union," as the treaty puts it. The pace may be slowed, but the direction won't change. The past is too ghostly to repeat.

© Flora Lewis.

Nuclear Testing Is an Issue to Take Seriously, Now

By Enrico Jacchia

BERLIN—The issue of a nuclear testing moratorium may sound hopelessly arcane and narrowly military, but it is not. It is likely to influence the world balance of power.

That is why the Pugwash Conferences on Science and World Affairs, meeting recently in Berlin, addressed a letter to President George Bush in which it urged him to support the initiatives on nuclear testing taken by France and Russia, as well as moves in the U.S. Senate and House of Representatives. What is it all about?

Russia unilaterally declared a 12-month testing moratorium on Oct. 5, 1991, and challenged other nuclear powers to join. France did so, suspending testing in the South Pacific for the remainder of the year.

President Boris Yeltsin—who has also received a Pugwash message—is under pressure from his still powerful military-industrial complex. Hardline elements forced him to cancel his visit to Tokyo, seizing on the issue of the Kuril Islands. The Russian mili-

tary now claims that testing is indispensable to maintaining a credible nuclear deterrent.

The fundamental security of Russia depends on such a deterrent, it is said. This argument finds fertile soil in a nation humiliated by the collapse of its empire. It may fuel anti-Yeltsin nationalist feelings in Moscow on the eve of brutal new battles with the parliament over reform.

If the United States maintains its present nuclear testing policy, the embattled Russian president may be forced to give in. That fact has found little sympathy in the U.S. State Department. Its spokeswoman, Margareta Tutwiler, said recently, "Our nuclear weapons testing policy is determined by our own needs and not by the activities of other countries."

The two arguments most consistently offered by the Reagan and the Bush administrations against a testing ban or moratorium are that con-

tinued testing is needed to develop safe nuclear weapons and also to maintain the reliability of weapons stockpiled for future deterrence.

Members of Congress asked prestigious nuclear research laboratories for a detailed technical review of the safety and reliability issues. The overwhelming opinion of the scientists consulted was that there is no compelling technical reason to continue testing—except for a limited number of tests (perhaps 10) that would suffice to bring the W-78 Minuteman-3 and Trident ballistic missile warheads up to modern standards of safety.

In Washington, the House and the Senate recently approved similar texts: The House version calls for a one-year moratorium, the Senate's for a nine-month moratorium followed by a limited number of tests and culminating in an end to testing after Sept. 30, 1996. Either way, a veto from President Bush seems likely.

France and Russia then presumably would resume testing, and China would continue to test at a low rate. This would give aid and comfort to President Yeltsin's hard-line opponents. And other countries striving to build nuclear arsenals would be encouraged to continue—all in all, a calamitous course.

IAEA as Policeman: Out of Its Depth

By Peter D. Zimmerman

WASHINGTON—"Is it O.K. to talk about this stuff while he's here?" the Iraqi nuclear weapons expert inquired of an American inspector from the United Nations. "He was another inspector from a country without atomic weapons. The Iraqi was proud of his accomplishments, and sensitive to the danger of allowing his knowledge to leak out. The other inspector left the room.

Iraqis are worried about discussing nuclear secrets with those not authorized to learn them. So are Americans, British, French and Russians—but strangely the International Atomic Energy Agency, the organization charged with carrying out nuclear safeguards, is not its apparent problem. It is that an international civil servant detailed to the Vienna-based organization is trustworthy.

No nuclear power believes that all its civil servants and scientists can be trusted with nuclear weapons details, each has procedures for investigating potential weapons experts. The IAEA reportedly did not even insist that the inspectors sent to Iraq have at least the equivalent of top secret clearance granted by their own governments.

This is because the job of the IAEA has always been to encourage peaceful uses of nuclear science while verifying that no party to the Nuclear Nonproliferation Treaty diverted uranium or plutonium to a clandestine weapons program. The agency was not designed to police nuclear weapons research and does not have the political or technical capability to do so.

A large body of design data is

known to each state that has mastered the art of producing a nuclear arsenal. Physics is the same everywhere, and the number of technically feasible designs for each class of weapon is limited. French, Chinese, American, British and Russian inspectors should be provided with a legal class of data that they may discuss with one another but not with citizens of other countries.

The IAEA has not asked that the special knowledge of nuclear weapons scientists be kept separate from that of inspectors from other countries. It has insisted that all inspectors be treated as equals. That ignores the security interests of the world.

The agency turned down a request made by several of the nuclear weapon states that the highly detailed nuclear blueprints recovered from Iraq be safeguarded by a nuclear power. Instead, those papers are kept in a locked room in Vienna, in a safe guarded by an IAEA security man. Almost anybody from anywhere can gain access to the building.

The IAEA's nuclear weapons program is not known with any certainty to be "at zero." Observers close to the inspection process have concerns about specific facilities. Even so, the will to pursue Iraq's program to its innermost secrets may now have evaporated. But there are still rocks to be turned over in Iraq, and it is time to lift them, no matter what foul matter lies beneath.

The writer, a nuclear physicist, is senior fellow for arms control at the Center for Strategic and International Studies in Washington. He contributed this comment to the Los Angeles Times.

Extend the Moratorium

THE end of the Cold War and the onset of the new era of arms reductions have opened a window of opportunity to ban nuclear weapons testing once and for all. In this connection, the moratorium on nuclear testing initiated by the former Soviet Union from August 1985 to February 1992, and the present moratorium declared by Russia up to Oct. 1, 1992, have been most useful.

We ask for your attention to positive developments in the Congress of the U.S.A. to formulate initiatives to bring a U.S. moratorium soon, and a complete test stop in the future. This congressional effort indicates real and promising interest in a moratorium and a comprehensive test ban in the near future. However, we fear that if the present Russian moratorium ends on Oct. 1, 1992, these developments may come to an early end. We ask you urgently to consider the possibility of extending formally the Russian moratorium to a later date.

—From a letter to Boris Yeltsin signed by F. Calogero, secretary-general, and Joseph Rotblat, president, of the Pugwash Council.

1892: Imperial Fashion

PARIS—That "the old order changeth" holds true in regard to the fashions of the coming season in a double sense—firstly, there is to be a complete departure from the styles which have been most in favor during the last twelve months or so; and, secondly, there are to be considerable modifications of the styles which are generally described as Empire, and which are to be the *neo plus ultra* these next few months. Indeed, so radical are the modifications in question, that it is not too hazardous to say that the coming styles will be imperial only in name.

1917: Kerensky at Risk
PETROGRAD—The attitude of M. Chernov, who was Minister of Agriculture in the Lvov Cabinet and who has assumed the direction of the Maximilian elements in the Soviet, becomes clear. M. Chernov does not hide his intention of overthrowing M.

In Service Of Himself Abroad

By Leslie H. Gelb

NEW YORK—George Bush was not at a political rally in Pittsburgh or San Diego on Monday when he recalled his military career, backhandedly rebuking Bill Clinton for failing to serve, and then proposed revamping U.S. foreign aid to create 40,000 new U.S. jobs. No, he was plugging his own campaign in New York—in a solemn speech before the United Nations General Assembly, of all places.

President Bush's odd sense of place should surprise no one. For a year and a half now almost everything he has done or not done abroad has been in direct service of his own political ambitions at home.

The Foreign Policy President has turned into the grandest Domestic Politics President on record, far outstripping his predecessors in subordinating national interests to personal political interests. At times this practice has been so blatant and so disarming that even his own aides have been too embarrassed to deny it.

General H. Norman Schwarzkopf, who obviously likes Mr. Bush, says as much in his new book about the Gulf War. The general maintains that unnamed White House officials ended the rout of Iraq at 100 hours because they "really knew how to package an historic event. Saddam Hussein—Mr. Bush's Hitler—was allowed to slip off the hook at least in part to make the president look good."

Mr. Bush canceled a long-planned visit to Japan in December after polls showed that the public thought he was spending too much time on foreign affairs. Then, to save Tokyo's hurt, he rescheduled the trip.

But against all State Department advice he brought along the heads of the Big Three auto manufacturers, who largely created the gigantic trade deficit with Japan, so that he could pretend to be battling the Japanese for American jobs. Mr. Bush's closest aides flinched privately over the spectacle of the president bashing on headed knees.

The Foreign Policy President dawdled through six winter months over aid to the former Soviet Union. Few Americans wanted or expected him to do much, because the principal burden of reform must rest with the Russians themselves. But he did nothing, for fear of being accused of squandering dollars on foreigners.

That is, he did nothing of consequence until his aides got word of an impending Clinton aid proposal. They frantically stitched together a Bush plan, and the president unceremoniously ran to the cameras an hour ahead of Mr. Clinton—and, his aides admitted, without even knowing the cost to the taxpayer.

Still stymied by presumed public unhappiness with foreign adventures, Mr. Bush tried to ignore the Serbian slaughter of Bosnian Muslims. He hid behind the patently phony argument that any strong action would quickly land the United States in a Vietnam-style quagmire.

Only recently did he begin to take the actions he spent months dismissing. By then, through his fearful inaction, he had sacrificed Bosnian lives and American leadership.

With little political incentive to please American blacks, Mr. Bush ignored refugees and starvation in Haiti and Somalia. In so doing, he forfeited America's moral leadership.

For the first time since 1945, America has no moral basis for urging humanitarianism on others, and cannot credibly implore Europe, Asia and Latin America to care for refugees from Yugoslavia and Romania.

For no reason other than to gain votes in Texas, where F-16 fighters are produced, Mr. Bush recently rushed to sell the aircraft to Taiwan. His decision violated the arms embargo with China—thereby diminishing America's ability to dissuade others from making questionable arms sales.

Only in the Middle East did Mr. Bush retain the mantle of statesmanhood that he had earned by organizing Desert Storm, escorting the Soviet Union away from communism and helping Germany to reunite.

By pressuring Israel to stop West Bank settlements, Mr. Bush lost votes at home. But by bringing about Arab-Israeli talks, he gained the respect of all—until he yanked a reluctant James Baker, the force behind the talks, out of the State Department and into the presidential campaign.

After a promising beginning, Mr. Bush's record has become sadly clear: To keep his office, the Foreign Policy President has stroked the lesser instincts of Americans—and squandered America's credibility, moral leadership and power.

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Imperial Fashion

PARIS—That "the old order changeth" holds true in regard to the fashions of the coming season in a double sense—firstly, there is to be a complete departure from the styles which have been most in favor during the last twelve months or so; and, secondly, there are to be considerable modifications of the styles which are generally described as Empire, and which are to be the *neo plus ultra* these next few months. Indeed, so radical are the modifications in question, that it is not too hazardous to say that the coming styles will be imperial only in name.

1917: Kerensky at Risk
PETROGRAD—The attitude of M. Chernov, who was Minister of Agriculture in the Lvov Cabinet and who has assumed the direction of the Maximilian elements in the Soviet, becomes clear. M. Chernov does not hide his intention of overthrowing M.

Kerensky when circumstances permit him and of constituting a Soviet Government. Grave events are generally expected very shortly. Mr. Chernov does not disguise his intention of settling the differences which divide the Provisional Government.

1942: 'Losing This War'

WASHINGTON—[From our New York edition:] Ralph A. Bard, Assistant Secretary of the Navy, bluntly told the nation yesterday: "We are still losing this war, period. And we should damn well understand it, period." Speaking before the eighth annual convention of the Industrial Union of Marine and Shipbuilding Workers, Mr. Bard concluded with a challenge to every American: "It will take all we've got to win? What are you going to do about it?" Mr. Bard said that all previous warnings about losing the war carried the implication that the side must necessarily turn. But, he asserted, was "whistling in the graveyard to keep from facing reality."

لبنان من الامم

صوتا من الامم

OPINION

That First Patriot Scored a Hit — on a Cloud

By Ben Sherwood

NEW YORK — In the dark morning hours of Jan. 18, 1991, Lieutenant Colonel Leroy Neel and his Patriot air defense battalion spotted a single blinking "track" on their radar display. A target — presumably one of Saddam Hussein's Scud missiles — was on its way to Dohran. At 4:28 A.M., following well-rehearsed procedures, the team fired a Patriot missile that corked 17,000 feet (5,200 meters) into the sky, disappeared behind the clouds, and detonated in a flash. The blip vanished from the screen.

Just 24 hours into the allied air campaign, the Patriot had scored what was hailed in the news media as a historic knockout: the first defensive missile ever to destroy an offensive missile.

While the Patriot's reputation has been considerably sullied since the Gulf War, the first shot of Jan. 18 remains untarnished, a defining moment embedded in the country's consciousness.

Jittery Americans found comfort in this televised triumph, and the word "Patriot" evoked an aura of high-tech security. For the Raytheon Company, principal manufacturer of the Patriot, the story of the first shot has been particularly useful in fending off attacks on the Patriot's effectiveness.

But like other Patriot "hits" that were acknowledged to have missed, this bullet never happened. According to government and other sources, there was no Scud speeding toward Dohran on the morning of Jan. 18. And today, with U.S.-Iraqi relations tense and at least six Patriot batteries deployed in the region, the real story of the Patriot's first shot is a reminder of how "good news" originates and spreads in time of war.

The "good news" was announced on Jan. 18, when General H. Norman Schwarzkopf was seen on the morning news, briefing a room of reporters in Riyadh. Seven Scuds had been fired earlier in the day against Israel, the general said, and one had been lobbed at Dohran. "The one Scud missile that was fired against Dohran was destroyed by a United States Army Patriot missile,"

General Schwarzkopf proclaimed. "As a result," he continued, "I think to date we can say that the enemy Scud campaign has been ineffective."

In fact, each Scud launched during the war was detected and reported by a web of intelligence satellites hovering above the Middle East. Using infrared sensors, so-called Defense Support Program satellites would detect hot flames and gases from burning missile rockets. The satellites would, in turn, provide early warning to U.S. troops and Patriot batteries. On Jan. 18, although they

The "success" of the missile fired on Jan. 18, 1991, provided a defining moment in the war against Iraq. But the only victory was of hype and flash.

spotted seven Iraqi Scuds fired at Israel, the satellites did not detect a Scud launched toward Dohran.

Of course Colonel Neel's Patriot battery did "detect" something, if only a blip on the screen. But what the tracking information indicated was that the target came from one of two improbable places: the waters of the Gulf or Iran.

The Army ruled out these possibilities. If the target's origin made no sense, its fleeting appearance on Patriot radar displays was even more confusing. On the morning of Jan. 18, the so-called Scud appeared on Patriot radar for mere seconds. In real Scud engagements, the targets appeared for a minute or more.

And, after launching, the Patriots sent back signals indicating whether they found their targets. On that first shot, the Patriot missile did not report back to its launching battery with a "Probable Kill" or an "Engage Fail" symbol.

Most probably, the "Scud" was a Patriot computer glitch. There were others. A day later, the army revealed that two Patriots had misfired because of computer problems. Toward the end of the war, the army admitted that another Patriot had misfired in Turkey. But the army stuck to its story about the first Patriot shot. In February 1992, the army told skeptical congressional investigators that it had found Scud debris from that first intercept with Cyrillic writing on it. The army claimed that a "definitive analysis" in Riyadh had confirmed that it was part of a Scud.

But under pressure from congressional investigators, the army retrieved the debris from a Raytheon employee who had taken it home as a souvenir. A piece was finally sent to the Missile Systems Command for analysis. The conclusion: It was not part of a Scud and there was no Cyrillic lettering on it.

Behind Pentagon walls, the army now regards the first shot as a non-event, as if the episode never occurred. The so-called kill has even been removed from the classified red briefing books detailing each of the 88 Patriot-Scud engagements of the war. When asked directly about the first shot, army spokesmen refuse to comment, citing classification rules and the potential threat to U.S. troops.

Meanwhile, with billions at stake in U.S. and foreign contracts, Raytheon is distributing a glossy promotional brochure describing the Jan. 18 "historic first." Company literature acknowledges that the missile did not perform flawlessly, but when challenged about the success of the first shot, Raytheon officials refuse to comment, referring inquiries to the army.

And the army has not been the most reliable source of information about the Patriot. During the war, General Schwarzkopf told reporters that "the Patriot's success, of course, is known to everyone. It's 100 percent."

In March 1991, army officials told Congress that the Patriot had intercept-

ed 41 of 42 Scuds. But under pressure from Representative John Conyers Jr., Democrat of Michigan, whose Government Operations Committee is investigating the Patriot, the Pentagon has been forced to cut its estimates of Patriot success. In April 1992, the army said that more than 70 percent of Patriot engagements in Saudi Arabia and more than 40 percent in Israel were "successful" — figures revised down from 80 percent and 50 percent.

But congressional investigators are not persuaded of even that. They say the army's confidence in the Patriot is not supported by the classified evidence. In April, The Washington Post reported, a senior army official said that the Patriot might have knocked out 24 Scuds of the more than 80 fired, with only about 10 of those "warhead kills." Others have questioned even that number.

Of 159 Patriots fired during the Gulf War, the first shot hit nothing — but it did more than all the others to define the Patriot in the American mind. If anything, the facts have been further buried by Raytheon's publicity effort and by army classification rules. On Jan. 18, by day and flash won the day. Next time, one hopes, a lone blip on the screen will not be twisted into the stuff of myth.

The writer is a producer for the investigative unit of ABC News "PrimeTime Live." He contributed this comment to The Washington Post.

Single Motherhood Is a Bad Bargain

By Maggie Gallagher

NEW YORK — After 10 years as an unwed mother and six years of writing about family issues I would like to share my personal recipe for single motherhood.

It is too late for Murphy Brown, but after all she is only a fictional character who does not matter so much. But it may not be too late for the many young professional women I interview

MEANWHILE

who are actively contemplating raising children outside of marriage.

If you're thinking of unwed motherhood, it helps to:

1. Have relatively affluent parents who got and stayed married themselves. That way you can rely on their marriage, rather than your own, to give your child the emotional and financial emergency support system that he or she needs.
2. Be able to choose a profession with flexible hours that allows you to take time out and work from home, and be sure to get a degree from an Ivy League school first.
3. (This one is especially tricky.) Find a boss who does not mind if you bring a sick 4-year-old and his dinosaurs to the office, which will happen. 4. Accept that, even if you make a good living, you are going to have far

less money than anyone you know — except other single mothers.

5. Expect to give up all the advantages of single life — freedom, romance, travel — and receive none of the advantages of marriage — emotional, logistical and financial support.

6. Prepare for the nights when your child cries himself to sleep in your arms, wondering why his father doesn't love him. (If your child is allowed to express his real feelings, there will be many such occasions.)

In other words, even if you are lucky enough to find yourself in the most privileged circumstances, unwed motherhood is a bad bargain, whether planned or unplanned.

When Glamour magazine recently asked its readers to describe "the highs and lows" of being single moms by choice, fully half expressed serious regrets. It is an even worse bargain for the children.

To raise one's own child without a father may, at times, be a painful and tragic necessity, but it should never be just another life-style option.

And, as Murphy Brown would find out if she were a real person and not a Hollywood fantasy, children not only need a father, they long for one, irrationally, with all the undiluted strength of a child's hopeful heart.

To raise one's own child without a father may, at times, be a painful and tragic necessity, but it should never be just another life-style option.

Before we can address the real problems that single mothers and their children face, we must admit that there is a problem. We have to stop pretending that all choices are equally good — that single motherhood is just an alternative family form and that fathers are just another disposable new item in the nursery.

The writer is a senior fellow at the Center for Social Thought and author of the forthcoming book "The Abolition of Marriage." She contributed this comment to The New York Times.

LETTERS TO THE EDITOR

Victims, Second Class

Regarding "Germany to Deport Gypsies" (Sept. 18) by Marc Fisher:

Parallel to the extermination of the Jews, the Nazis killed Gypsy men, women and children in death camps, 500,000 died from hunger, cold, disease, torture, medical experiments, mass shootings and gassings.

After the war, the German Federal Republic undertook to atone for the deeds of its predecessor regime. It paid indemnities to individual Jewish survivors or their descendants. For those who could not enter a claim, the whole family having perished, the German government paid lump sums to Israel that totaled 85 billion Deutsche marks (\$57 billion) by 1991.

No such compensation was given to the Gypsy survivors. Individuals were dealt with in a windy bureaucratic manner. There was no lump sum payment for those who perished. The Gypsies had no powerful advocates or lobby. Their claims were buried. With the fall of the Soviet empire and the rise of chauvinism, Gypsies there were once again singled out for aggression. They fled westward, many of them to Germany.

Now, the German government has chosen to deport the Gypsies to the countries from which they had fled.

A German writer, Ralph Giordano, has said: "We cannot have first-class and second-class victims of the Nazis. There cannot be a hierarchy of the persecuted... I demand the same treatment for the Gypsies as for Jews."

JACOB SUHL, Portimão, Portugal.

If Democracies Change

The European Community should urgently confront an important piece of unfinished business: how to deal with a member whose government turns undemocratic. Clear guidelines exist for assessing candidates for membership, but nothing for how to react if one of the democracies suddenly changes its stripes. Recent hints that more than one-third of Germans might vote for the far right lend weight to the matter. Should any EC member, powerful or weak, move to such an extreme, it should face full ostracism and draconian sanctions.

ROBERT F. ILLING, Porto, Portugal.

The Citizen in Wartime

Regarding "Lower That Bloody Shirt and Let the Nation Heal" (Opinion, Sept. 17) by James Fallows:

Mr. Fallows writes that only those who went to Vietnam and those who openly refused to go have the moral right to stand in judgment of those who took an "easier" way out. Really? Many of us who went did not make a "brave choice," as Mr. Fallows writes. In fact, we made no choice at all for it had never occurred to us — and nothing in our experience or education would have led us to believe — that this was something about which we were being asked to choose.

Many of us went to Vietnam unquestioningly. We had been raised and taught to be "good Americans" and it

look years of demonstrations by the anti-war movement to teach some of us what we had not heard at home or in school: that being a "good citizen" means above all deciding for oneself where the "common good" lies, and then acting on that belief.

In April 1971, four years after I returned from service with the Marine Corps in Vietnam, I joined 1,000 other members of Vietnam Veterans Against the War in throwing my Vietnam medals and ribbons on the steps of the Capitol. In those four years I had learned to become a better citizen — not because I was now against the war (although I still believe that position was the correct one) but because I had become a thinking and acting citizen.

Blind service, in short, is no substitute for active citizenship, and it bestows moral superiority on no one.

RONALD C. FAUST, Frankfurt.

Prussia and the Kurils

Japan's interest in recouping the four southernmost Kuril Islands, which were lost to the Soviet Union at the end of World War II, now threatens to scuttle an opportunity for normalized relations between Tokyo and Moscow.

At the conclusion of the war, Germany lost what remained of East Prussia, Pomerania and Silesia. During the re-organization talks, the world was outraged when certain political groups within Germany were reluctant to disavow Germany's territorial claims to former German lands in Poland.

This is not to condone that conduct, but only to question why Germany's behavior with respect to its lost territories is considered to be outrageous by so many while conduct of the same nature by Japan is treated with relative indifference.

WILLIAM R. ROHRBACH, Laren, Netherlands.

Bosnia for All Bosnians

Regarding "Horror Built on Deception" (Opinion, Aug. 15) by José Cuatrecasas:

The Sarajevo agreement of March 18 was signed by leaders of the three main parties in Bosnia. It was unfortunately in vain to limit the war, as it called for the following elements, among others:

- Bosnia as an independent state with three "constituent units" — like Swiss-style cantons, but with no set borders.
- Three national police forces.
- Three different monetary units and systems. What country has this?
- Three national anthems and flags.

Within two weeks of the agreement, irregulars from Serbia entered Bosnia, killing hundreds of civilians.

The existing agreement could not be a good platform for any country. It leads to Bosnia's inevitable partition. It should be declared null and void by the United Nations, and a new agreement drawn up by impartial outsiders.

I think that, to follow the American example, we all have to be Bosnian, no matter where we come from. We should all respect one law, one flag and one anthem. We must have one monetary system, one police and one army. We must all have equal rights and oblige-

ment's complacent attitude toward science funding — not inadequate salaries.

ANTHONY R. REES, Bath, England.

Racially Correct

Regarding "Director 'Alack': Shelves Film on Frida Kahlo" (People, Aug. 20):

The suspension of Luis Valdez's film project because of objections to the non-Hispanic ancestry of Laura San Giacomo, who plays the role of Frida Kahlo, would probably have struck the artist herself as ironic.

As is reflected in some of her work, Frida Kahlo enjoyed analyzing the duality of her own ancestry. True, she was born in Mexico, but her parents were a German Jew and a Mexican mother of mixed Spanish and American Indian descent. Does this mean that to be truly "politically correct," an actress with Ms. Kahlo's identical genetic make-up must be found?

It is unfortunate that in their fervor to prevent this film from being made, those who opposed the casting of Laura San Giacomo as Frida Kahlo are preventing a capable actress from bringing to a wider audience the fascinating life story of a talented and passionate artist.

ELIZABETH SEE-THO, Singapore.

Up (Yellow) Periscope

Regarding "Peter Max Back in Creative Motion" (Art, Aug. 15):

The article credits Peter Max with designing "Yellow Submarine." This ground-breaking animated film, which featured the music of the Beatles, was the inspired creation of one of the graphic arts' most fertile imaginations, that of Heinz Edelmann.

ALAN DAVID SHEAN, Dun, France.

Ask Them About the Iraqgate Cover-Up

By William Safire

CHICAGO — Some realistic Senate Republicans, aghast at the prospect of Mario Cuomo or Robert Morgenthau as attorney general, have decided that it would be better to have a nonpartisan special prosecutor look into the Iraqgate scandal. That is why they are joining Carl Levin, a Democrat, and Bill Cohen, a Republican, in backing that law's extension.

I believe that a grand jury will be empaneled next year to probe James Baker's backdoor financing of Saddam Hussein's war machine. It will take sworn testimony about how officials of the Departments of Agriculture, Commerce and State and the White House lied to Congress, altered and shredded evidence, and conspired to conceal these acts.

That Iraqgate grand jury will target Attorney General Dick Thornburgh and William Barr and their henchpersons to determine if — influenced by Secretary Baker and Brent Scowcroft, in the furtherance of George Bush's infamous National Security Directive 26 — they obstructed justice.

I could be wrong; Iraqgate could be swept under the rug, just as Mr. Barr has tried to do in refusing Con-

gress's call for independent counsel. But if my conjecture is accurate, here are a few of the lines of inquiry the grand jury will pursue:

1. After it became known that Iraqi officials were stealing from U.S. grain financing, did Mr. Baker and Mr. Scowcroft, with the intent of resuming sales to a corrupt and noncreditworthy borrower, prevent public disclosure of the suspension of the program?

The Senate Agriculture Committee chairman, Pat Leahy, this week obtained the answer to a question I submitted 30 months ago. "Fear of offending the Iraqis," he writes, "motivated the Department of State and National Security Council from announcing a suspension." Evidence: Alan Raul, the Agriculture Department counsel, wrote on April 2, 1990, that State had asked that Agriculture "not use the term 'suspend.'"

Notes taken by a Treasury Department official reveal that one month later Mr. Scowcroft called Agriculture Secretary Clayton Yentler "and asked him not to put out press release

today saying terminating program."

2. As part of a conspiracy to conceal the misdirection of funds, did government officials conceal or shred documents? "Our research indicates," writes Senator Leahy, that Mr. Scowcroft "also sent a letter about the Iraqi GSM program to Secretary Yentler that day. USDA has not provided us with any such document." Mr. Yentler is suspected of taking this evidence of intervention with him to his White House sinecure.

On evidence suppression, a grand jury will ask: In the FBI raid on the Atlanta branch of the Banca Nazionale del Lavoro, were the visitors' sign-in book and the branch manager's desk calendar seized? If so, were they destroyed or mislaid?

3. In their campaign to "build a wall" to keep the investigation from stopping the flow of funds to Baghdad, did Bush administration officials influence Atlanta prosecutors?

Although Mr. Barr has generously forgiven the White House for two improper calls to the harassed prosecutor, a less partisan investigator will ask White House counsel Boyden Gray: Did he know of the first call, yet permit another inquiry from on high into a local criminal prosecution?

Mr. Baker will be asked: How many times did his lawyers call Atlanta to discover prosecutorial intent? Did he receive reports of these repeated intercessions? Did he use his inside knowledge of a criminal case to induce Mr. Yentler to ignore his fiduciary responsibility?

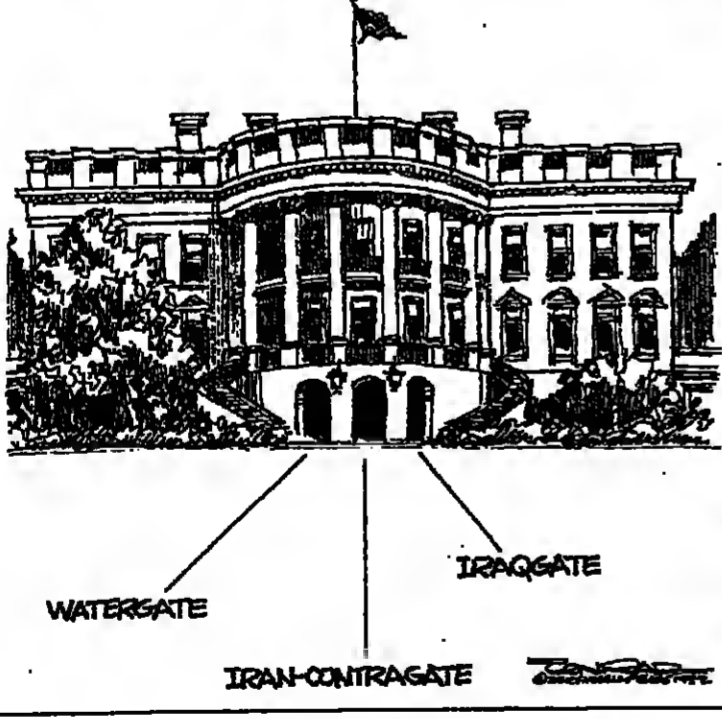
CIA chief Robert Gates, who has sought to silence the House Banking chairman, Henry Gonzalez, will be asked: Did none of America's expensive "big ears" pick up any evidence of the multibillion-dollar secret financing of Iraqi arms purchases?

When were the first intelligence reports of Iraq's abuses forwarded to Mr. Baker and Mr. Scowcroft, as they resisted a cutoff of funds to Saddam?

Cover-up-General Barr will be asked, among much else: Why did the prosecutor, Gail McKenzie, tell Thomas Bitter of the Federal Reserve to butt out of her prosecution? Who then prevailed on the Treasury Department to tell the New York Fed chief, E. Gerald Corrigan, that this politically sensitive investigation was none of the Fed's business?

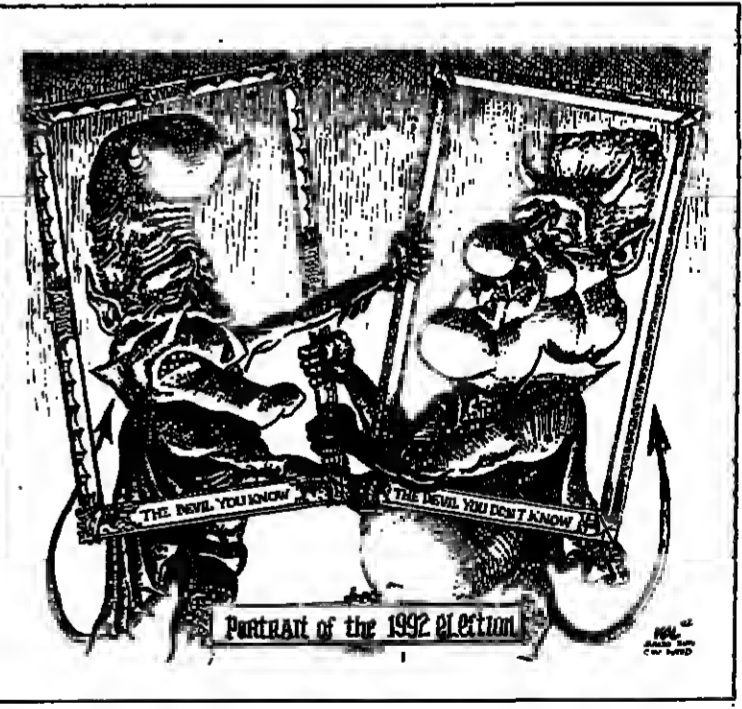
Quite a case. Can't wait.

The New York Times.



Advertisement for Herald Tribune featuring the headline 'Want to know where the U.S. Presidential candidates stand on issues affecting Americans around the globe? SEE BUSH and CLINTON Address Americans Overseas'. It includes a list of countries and the Herald Tribune logo.

Advertisement for the French Company Handbook 1992, published by the International Business Development division of the Herald Tribune. It lists various French companies and provides contact information for the handbook.



It's Much Easier (But Not Easy) to Visit Mongolia

By Nicholas D. Kristof
New York Times Service

ULAN BATOR, Mongolia — Out on the steppes, where the prairies stretch endlessly until they melt into mountains crags on the horizon, there's not much sign of the last few million years of human civilization. At most, one sees an occasional rutted dirt road or a shepherd's tent exhaling a plume of white smoke from a cooking fire made of cow chips. Mongolia, after all, has been in a funk for the last seven centuries.

Food is scarce and often atrocious. English-speakers are hard to find, hotels are poor, telecommunications difficult and visas difficult to obtain except for organized tours.

THE starting point for almost all visitors to Mongolia is Ulan Bator, the capital. About half of Ulan Bator is made up of the tired gray concrete buildings that are the legacy of communism from East Berlin to Vladivostok. The streets are broad, suitable for military parades, and most people get around by foot or by bus. Public bus rides are a bargain, less than half a cent a ride, and they are a good way to explore the city.

The former palace of the Bogd Gegeen, Mongolia's god king who died in 1924, is a museum these days. But, in accordance with Buddhist beliefs, a man who is said to be a reincarnation of the Bogd Gegeen has been found in India and has been confirmed by the Dalai Lama. It is possible that he will return to Mongolia and reclaim his palace. The palace is a 30-minute walk from the center of Ulan Bator, so it is simple to go by car. Taxis are extremely scarce, and expensive when found, so normally the process is simply to stand at the side of the road and flag down any car coming along. About half of all passenger cars moonlight as taxis, and if the car stops that means it's a gypsy cab. Fares are based on mileage and the apparent wealth of the passenger, but they are unlikely to exceed 25 cents.

FROM Ulan Bator there are three important destinations in the countryside. Karakorum, the ancient capital, is the most important historically and culturally and also the easiest to reach. It is less than a day's journey by hired car.

The Gobi Desert, reachable by plane, offers camel riding with the nomads and rich fossil hunting; only now are Western experts able to explore it systematically for dinosaur remains. The Altai mountains in the far west offer perhaps the most majestic scenery and lure occasional American hunters who pay up to \$25,000 for the chance to bag a trophy argali mountain ram or even a rare (and supposedly protected) snow leopard. It is possible to drive up into the Altai mountains from the city of Hovd, which in theory has air connections to Ulan Bator.

A Library for World's Nobodies

By Christine Chapman

BURLINGTON, Vermont — Every unappreciated writer in the world has a friend in Vermont at the Brantigan Library. Inspired by the counterculture writer Richard Brautigan, and founded by the former flower child Todd Lockwood, the Brantigan is the last resort — and sometimes the first — for writers who want to see their unpublished manuscripts bound, shelved, and read by people who travel long distances to find them.

and Allen Ginsberg, who taught him about Zen Buddhism. But the hippies latched on to him in the '60s and '70s and made him an icon. A would-be novelist, Lockwood, who will place his book in The Brantigan if he finishes it, tried to round up an advisory board of writers when he started. Kurt Vonnegut's agent laughed at him and Garry Trudeau, creator of "Doonesbury," wrote a blunt refusal. Hanging framed in the library is his crabby letter: "Why would anyone spend hours poking through unpublished materials in the hopes of finding something actually worth reading?" He advised Lockwood: "Don't give up your day job."

woman who flew from Paris to Burlington in August to consider placing her book there. Because Brautigan liked the word mayonnaise, the library uses the Mayonnaise System of shelving books between jars of mayo in 13 classifications: Love, War and Peace, Humor, Family, Adventure, Street Life, Natural World, Spirituality, The Future, Social/Political/Cultural, Poetry, The Meaning of Life, and All the Rest.

The Faces of an Era

Linda McCartney's "Sixties" has just been published by Pyramid (London), and her pictures of an era 50 on display next month at the Royal Photographic Society in Bath. Among them, clockwise from top left: Aretha Franklin, the Beatles and Janis Joplin. In the same vein, there's just time to catch "Entertainers" at the Cromwell & Ward Gallery in London, an exhibition, through Sunday, of Gerard Manley Hopkins' work, including (continuing clockwise) Elton John, Keith Richards solo and the Rolling Stones.



HEAR THIS
■ You probably didn't know that poets still worried about "selling out," you may even have thought poets were extinct. But according to The Associated Press, Max Blagg, poet, is being criticized for reciting a poem in a commercial for The Gap. "I thought it was a chance to promote the power of the spoken word," Blagg said. "I don't think bluejeans are the worst thing you can promote."

THE MOVIE GUIDE

NEW
LEICA R7. PERFECTION MADE IN GERMANY

Leica
The freedom to see.

Husbands and Wives
Directed by Woody Allen. U.S.
Well, then, what about the movie? Woody Allen's "Husbands and Wives" is a very fine, sometimes brutal comedy about a small group of contemporary New Yorkers, each an edgy, self-analyzing achiever who goes through life without much joy, but who finds a certain number of cracked satisfactions along the way. The film is Allen's uproarious answer to Ingmar Bergman's far more solemn but no less bleak "Scenes From a Marriage." "Husbands and Wives" is actually scenes from two marriages, one on the rocks as the film begins, the other in a kind of stasis, set in a uniformly

Haruika Nostalgie
Directed by Nobuhiko Obayashi. Japan.
Many of Obayashi's films are about time and death. In "Futari" the elder sister returns from death to look after the younger, in "The Disincarnates," a man meets his dead parents just as they were when he was a child. In this new picture, a middle-aged writer of pulp fiction for young girls meets one of his fans, Haruka, who has an uncanny resemblance to a childhood sweetheart. Their meetings are spied upon by a young student who turns out to be the writer himself when young and who himself turned into worthless fiction. As the writer becomes more and more aware of his personified past, he begins to understand that the girl is really the daughter of the lost love. When the girl gives herself to him, it is as though the past again lives. But time presses on. At the end, the old writer, his boyhood banished, hands his finished book to Haruka's now grown daughter. We see the cover. It is called: "Haruka Nostalgie." Though long — 165 minutes — the picture holds with seriousness and intensity. If from time to time, it threatens to turn into the kind of popular romance the errant writer is producing, it always remembers to step back. At its finest it is moving; at its least interesting, Henry James in Harlequin Romance land. (Donald Richie, IHT)

ACROSS
1 Miller Sebastian
4 The ABA —
Honeymoon,
1914 song
8 Old Chinese
unit of weight
13 — mater
18 Author Ludwig
18 Historian
17 Restored to a
former position
18 He roomed with
Ruth
20 Sayers's
detective
22 River islet
24 Storekeepers'
favorites
28 Takes up again
33 Gladden
34 Cardinal point
38 Sheep's cry
37 Prokofiev work
41 Res. of Merlo
Park
42 Authentic
43 He wrote "A
Lonely Rage"

DOWN
1 Scientist Sagan
2 Delft item
3 Muslim ruler
4 Mal —
(headache in Le
Have)
5 He loves: Lat.
6 Chomp
7 On the qui vive
8 Like a gull
piece
9 Service people
of yesterday
10 Sweetshop
11 A winning
margin
12 Joel or Zane
14 Musical tempo
18 Cast-iron trying
pan
21 Value
24 Clan
subdivisions
25 Feature of some
skirts
26 Trencherman
27 Coty or Lacoste
28 Nesser's
successor
30 Armed vessel,
Brit. style
31 Half a Wash.
city
32 What yeggs
crack
35 W.W. II battle
site
36 Quebec
Coliseum, for
one
38 Get away
40 Sage
43 Congenitally
joined together
46 Commission
merchant
48 Prepare eggs,
in a way
50 Taylor of N.B.A.
fame
52 Made a
hole-in-one
53 Dick Turpin's
Black Bess
54 "How now!
—?" Hamlet
55 Napoleon victory
site: 1796
56 N.C. college
57 Duck or color
58 Rochester's
Jane
59 Perused

Solution to Puzzle of Sept. 24
SPACES ALGEBRA
CHROME STORMIER
RACKET HOMEBASE
ASHE THEM EASTS
PET PLEASANT
EST LER SENTEE
LEGO DECK LAYE
LACED ETA PERAL
ACTS OODR IOA
CESTAS ERR NAP
ABSENTEE TRI
ANITA NEST HULL
DEDICATE AMELIA
DELOUSED PEDANT
SPENSER ELYSEE

سكيا من الامل

صكنا من الامل

U E I S U R E



Traditional French Food, Without Fancy Settings

By Patricia Wells
International Herald Tribune

PARIS — The next time you begin to question whether there's a grain of gastronomic tradition left in France and whether you can still find a non-chic, authentic family restaurant in Paris, then reserve at A Souceyrois.

Don't expect a red carpet, a chic clientele, a boudy buddy welcome. Anticipate, instead, what we found on our last meal: Food that is cooked, roasted, mijoté, old-fashioned fare that's full of flavor and character.

Here there's none of that "Let's try this one out on the customers tonight." Rather, you'll find a duck stew, or civet, where the meat has been cooked to its limits, meaning soulful and delicious. You'll find imaginative fare, such as wafers of celeriac topped by paper-thin slices of truffles, all sprinkled with lemon juice. The mousse of wild grouse was deliciously rich and aromatic, and filled with earthy flavors.

Even plebeian starters such as artichoke topped with mayonnaise and lobster — often dull and unimaginative — help one understand how classics remain classics. Desserts — warm cherries in cherry sauce, profiteroles, chestnut ice cream and a pear tart — are all delightfully old-fashioned, behind-the-times, delicious. What more can one say? Another everyday Parisian spot worth a

déjeuner is L'Impasse, a small family restaurant with plenty of village-like charm. Neighborhood locals wander past the tiny two-room restaurant that spills out onto the sidewalk with a wave and a hello, while inside there's that gentle, even murmur of laughter and good times.

The cuisine is stalwart and traditional, with plenty of *blanquette*, *lapin*, calf's liver and *sole meunière*. But the menu makes just the right amount of forays into the present, with a satisfying gazpacho for the warmer months, or a basic platter of poached codfish served with a simple tomato sauce. This place is about as unfussy, as "tried and true," as they come. Do bring along a dose of patience, for service is a bit poky.

My single criticism is that the food shares the fault of so much pure homey fare, in that it lacks basic seasoning. But that doesn't stop me from coming back. The wine list is reliable, with a good Broly and Sannur-Champigny, and prices for wine and food are amazingly reasonable.

A Souceyrois, 35 Rue Falguère, Paris 11; tel: 43.71.63.30. Closed Saturday, Sunday and August. Credit cards: American Express, Visa. A la carte, 300 francs.

L'Impasse, 4 Impasse Gauthier, Paris 4; tel: 42.72.06.45. Closed Sunday lunch and Monday. Credit cards: Visa. A la carte, 150 to 200 francs.

Val Gardena's Fight for Splendid Isolation

By Roderick Conway Morris

VAL GARDENA, Italy — Descending a steep winding forest path on the edge of a tumbling torrent, I come upon a solitary farmstead where a woman is on the balcony tending her geraniums. After chatting for a few minutes, I ask how she voted in the referendum. "We voted no," she says. "More cars, more people, more skiffs. No thanks!"

"I mean," she says, indicating with a sweep of her arm a tiny nearby hamlet of neat houses and barns scattered in the fields around an almost absurdly picturesque church, against a limitless backdrop of meadows, woods and mountains, "there just isn't enough space!"

The referendum, held last year, was on whether Val Gardena should host the 1997 Alpine Ski World Championships. Despite the fact that the valley stood to gain a great deal of money, the proposal was soundly defeated.

Val Gardena is in the South Tyrol, which was obtained from Austria by Italy at the end of World War I as a payoff for joining the Allied side (but which has recently won a considerable degree of self-determination as an autonomous province). The province remains 70 percent German-speaking, with minorities of Italians and Ladins (the indigenous population that still speaks Ladin, an ancient Romance tongue).

The valley is known as Val Gardena in Italian, Gröden in German and Gherdeina in Ladin. The western end is German-speaking and the central and eastern part is a strong hold of Ladin language and culture, with only a handful of Italians in either part.

For long splendidly isolated — there was no road into the valley until the second half of the last century — Val Gardena did, however, from the 17th century on, export its wares to the outside world: centered in Ortisei, its main village, the valley's hundreds of wood-carvers produced religious sculptures (mostly for the Tyrol), and diminutive wooden horses, soldiers, dolls and ingenious working toys, which were carried forth on backpacks by local peddlers, and reached nurseries as far-flung as London, Lisbon, Philadelphia and St. Petersburg.

Several hundred sculptors and toy makers are still at work today. These artists and craftsmen were at the forefront of the anti-championships campaign. Leader Moroder, a Ladin speaker who teaches the history of art at the valley's two art schools, was one of the founding members of "SOS Gherdeina," an ad-hoc organization founded to coordinate the opposition.

"There is nothing in the Italian constitution providing for referendums on local issues," said Moroder. "At first we were amazed down flat. But then we fielded our own candidates in the local elections. We won 28 percent of the vote, and the authorities finally agreed to hold one."

Val Gardena was the venue for the 1970 Ski Championships. This previous taste of a mass influx of outsiders was important in swinging the vote, Moroder believes, especially since the 1997 version promised to be a much bigger and jazzier event. "If you've had no experience of such things, it's difficult to imagine what they're like," he said.

"Not that everything's perfect here, but there is still so much that is unspoiled and worth preserving. It's a quality and a way of life worth defending."

Even then, Moroder said he and his fellow campaigners were surprised that villagers at the high eastern end of the valley, who, unlike the peasant farmers and artisans in the rest of Val Gardena, rely almost entirely on tourism to make a living, should have also voted in such large numbers against.

But it is the farmers who are the ultimate guardians of this spectacular countryside, whose charms owe as much to nurture as nature. Around 16 percent of the working population of the South Tyrol still lives on the land — a very high figure for Western Europe — and these hardy, hard-working peasant proprietors are showing remarkable tenacity in maintaining traditional ways. Their reluctance to part with land for devel-

opment and their untiring cultivation of this precipitous landscape not only keeps it alive and productive but conserves it for all of us.

With so many alpine valleys besieged by traffic and disfigured by excessive building and a plethora of ski facilities (that render the summer landscape especially hideous), it is heartening to find such places as Val Gardena determined not to join the club.

If you do go to Val Gardena, be sure not to miss the Alpe di Siusi, a stiff hike or more leisurely ascent in a small cable car from Ortisei. This vast rolling flower-covered plateau, at an altitude of 1,800 meters (6,000 feet) and watched over by majestic Dolomite peaks, is the largest upland meadow in Europe.

Roderick Conway Morris is based in Venice and writes for The New York Times and The Spectator.

DO'S AND DON'TS

- Go Informed**
Do ask for information from the South Tyrol Tourist Office, Pharysias 11-12, Bolzano, Italy. Tel: 471.99.38.08. Fax: 471.97.54.48
- Maps for Hiking**
Do buy a detailed map showing the paths for hiking (the one by Kompass is the best).
- Keep Off the Meadows**
Don't romp Julie Andrews-like on steep meadows. They are delicate and easily damaged.
- Certified Sculptures**
Don't buy sculptures without a Basen Chamber of Commerce certificate and "Entirely Hand Carved" trademark.

THE ARTS GUIDE

- AUSTRIA**
Vienna
Künstlerhaus (tel: 587.96.85). To Oct. 4: "God, Man, Pharaoh: 4,000 Years of Human Representation in the Sculpture of Ancient Egypt." About 250 works from European and North American collections.
- BELGIUM**
Brussels
Musée d'Art Moderne de Bruxelles (tel: 508.32.11). To Dec. 13: "L'Avant-Garde en Belgique, 1917-29." Concentrates on the early activities of the Belgian Surrealists.
- BRITAIN**
London
British Museum (tel: 323.8525). To Nov. 22: "Ukiyo-e Paintings." This is the first of a two-part exhibition, comprised of 100 screens, hanging scrolls, handscrolls and albums, concentrating on the world of courtesans and geishas from the pleasure quarters in the city of Edo.
- CANADA**
Toronto
Museum for Textiles (tel: 598.5515). To Oct. 18: "Textiles by Junichi Arai." A master contemporary textile designer uses computers to create many of his works.
- FRANCE**
Chartres
Musée des Beaux-Arts (tel: 37.36.41.39). To Oct. 5: "Ince Art in the Museums of the City of Cuzco." Religious artifacts, ceramics and weapons.
- FRANCE**
Paris
Musée National des Monuments Français (tel: 44.05.79.86). To Nov. 15: "L'Art Renaissance La Ville." This exhibition covers a span of 20 years focusing on the relationship between city planning and contemporary art. It includes models, blueprints, photos and drawings.
- GERMANY**
Munich
Neue Pinakothek (tel: 238.05.195). To Nov. 19: "Collection of Count An-
- nius Pschytski: Paintings of the Late Romantic Period."
- IRELAND**
Dublin
The Irish Museum of Modern Art (tel: 718.686). To Oct. 11: "O'Malley Collection." The collection of early and mid-20th century works include paintings by Jack B. Yeats and photographs by Helen O'Malley.
- ISRAEL**
Jerusalem
The Israel Museum (tel: 708.811). To Oct. 21: "The Art of Leon Bakst." An assortment of works by the Russian artist and stage designer.
- JAPAN**
Gumma
Hara Museum (tel: 3445.0651). To Nov. 23: "Chile Today: Contemporary Art from Chile." Includes paintings, sculpture, prints, ceramics and photography.
- TOKYO**
Tokyo Metropolitan Museum of Photography (tel: 32.60.00.31). To Oct. 31: "Bursting Galaxies." Fae-
- tures Kusama Yayoi, a Mitsumoto (Nagano)-born artist who found her first inspirations in Georgia O'Keeffe. Her representative polka-dotted works have been praised by Frank Stella, Andy Warhol and many other artists.
- NETHERLANDS**
Amsterdam
Stedelijk Museum (tel: 573.29.11). To Nov. 29: "Sjgnar Polke." Polke has been said to be a part of a new generation of German artists who, following World War II, provided European art with new incentives. The exhibition includes 30 of his paintings from 1968 to 1986.
- SPAIN**
Barcelona
Fundació La Caixa (tel: 317.57.57). To Nov. 1: "The Avant-Garde in Catalonia." Focuses on the role and influence of Picasso, Duchamp, Miró and Dalí on international art.
- SWITZERLAND**
Geneva
Musée Barbier-Mueller (tel: 312.02.70). To Oct. 15: "Art from Berlin." Bronze sculptures dating back to the 15th century.
- ZURICH**
Kunsthaus (tel: 251.67.55). To December 13: "Gustav Klimt." Exhibition marking the 50th anniversary of his death. Also, "Ferdinand Hodler." Drawings of the artist from 1900 to 1918.
- UNITED STATES**
New York
Guggenheim Museum (tel: 423.3500). To Dec. 15: "The Great Utopia: The Russian and Soviet Avant-Garde (1915-1932)." More than 600 works including paintings, posters, architectural and typographical designs, theater costumes and porcelain, ranging from the spiritual realism of Malevich to the dramatic realism of Tatlin.
- MUSEUM OF MODERN ART (tel: 879.5500). To Jan. 12: "Henri Matisse: A Retrospective." Four-hundred-piece retrospective devoted to the popular French master, includes some of his most important paintings, complemented by a generous selection of sculptures, drawings, paper cutouts and prints.**

Get the Card that's got the whole world talking.

If you're living here in Europe, now you'll really appreciate having an AT&T Calling Card.

Because now it makes calling between countries very easy for you.

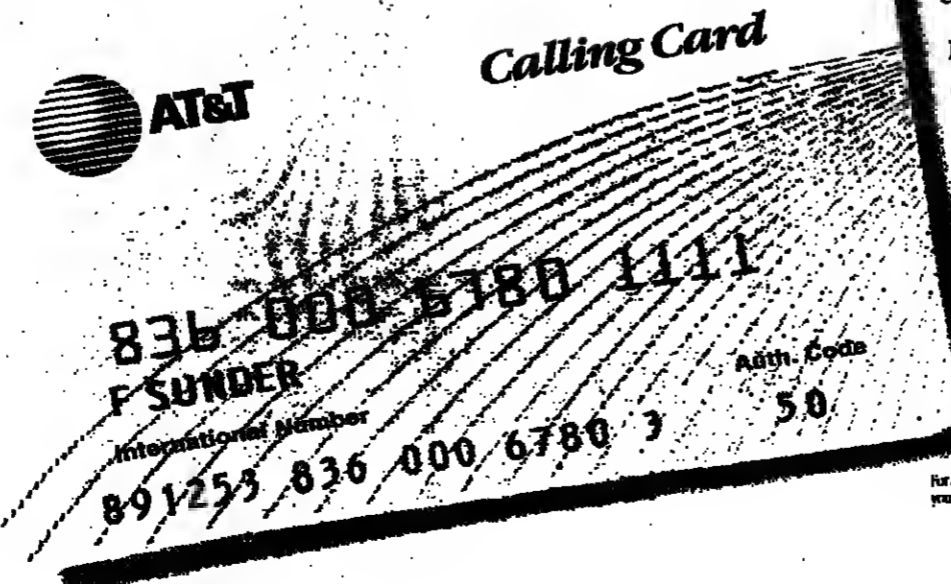
With an AT&T Card, you can use new AT&T World Connect™ Service. While traveling, or from home or work. Simply dial the AT&T USADirect® Service access number for the country you're in, and in seconds an English-speaking AT&T Operator will help you complete your call to any of more than 40 countries in the World Connect System.

Use your Card as always to call the States too. Easily. From over 110 countries with AT&T USADirect® Service.

Entitles you to more services than ever.

Like calling AT&T-provided 800 numbers in the US. 24 hours a day. Or using AT&T Message Service to get messages through when you can't. And for all the calls you make with your AT&T Card, you get an itemized record each month on your credit card statement. And much more.

To get an AT&T Calling Card, you just need a valid Access® American Express® Card, Eurocard® MasterCard® or VISA® account. Get it once, it's good for life. Apply for yours free now, and one for a family member. We're here for you 24 hours a day. Just dial this country's AT&T USADirect® access number, and ask the AT&T Operator to place a collect call to 816 654-6688, Ext. 6032. You'll have one of the easiest ways in the world to connect.



AUSTRIA	022-903-071	GHANA	0191	NORWAY	050-12011
DENMARK	0001-0010	GREECE	00-800-1311	POLAND**	00010-480-0113
EGYPT†	510-0200	HUNGARY	000-800-0111	PORTUGAL†	05017-1-288
FINLAND	9800-100-10	IRELAND	1-800-850-000	SWEDEN	020-795-611
FRANCE	190-0011	ISRAEL	177-100-2727	SWITZERLAND	155-00-11
GAMBIA	0011	ITALY	172-1011	TURKEY	908-8001-2277
GERMANY**	0190-0010	NETHERLANDS	080-022-9111	U.K.	0800-89-0011

All countries above have AT&T World Connect™ Service except Italy, Poland and Ghana. *Public phones require coins or card. **Access numbers include Berlin and Leipzig. †Access numbers. ‡Public phones require coins or card. *Dial 02 first, outside of Calif. †Dial 009 (09-00) from those States listed. ‡Not available in all countries. Access charges in conformity with the terms and conditions of credit card agreements. *For additional USADirect access numbers or information about the service, call us collect at 415-750-766. When in the U.S., call 1-800-854-6688. For more information call.



NYSE

Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns for various stock indices and sectors, including NYSE, Dow Jones, and industry-specific indices.

Table listing individual stock prices and their changes, including major blue-chip stocks.

Table listing individual stock prices and their changes, continuing from the previous table.

Table listing individual stock prices and their changes, continuing from the previous table.

Table listing individual stock prices and their changes, continuing from the previous table.

Table listing individual stock prices and their changes, continuing from the previous table.

Table listing individual stock prices and their changes, continuing from the previous table.

Table listing individual stock prices and their changes, continuing from the previous table.

Table listing individual stock prices and their changes, continuing from the previous table.

Table listing individual stock prices and their changes, continuing from the previous table.

Long-term security and performance in a liquidity investment?

RG Money Plus, an investment fund incorporated under Luxembourg law, is Robeco Bank's unique money market fund. It's a liquidity investment that's designed to generate high returns even when interest rates fall and so bond prices increase.

Contact us to find out more.

ROBECO BANK (SWITZERLAND) S.A.

16 chemin des Capucins, CH-1215 Geneva 15
Telephone: (41) 22-341 1297; Fax: (41) 22-341 1392

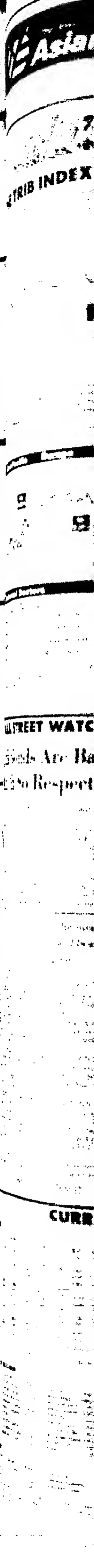


Table with columns for stock prices and changes.

Table with columns for stock prices and changes.

Table with columns for stock prices and changes.

Table with columns for stock prices and changes.

Table with columns for stock prices and changes.

Table with columns for stock prices and changes.

Table with columns for stock prices and changes.

السوق العالمية

To our readers in Budapest
Hard delivery of the IHT is now
available on the day of publication.
Call today: 175-7735

سوال من الامتحان

The Jewel of Asia

Asiana

BUSINESS

FLY WITH A NEW FLEET TO SEOUL.

International Herald Tribune, Friday, September 25, 1992

THE TRIB INDEX: 94.30

International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Asia/Pacific	Europe	N. America
Chse. 88.51 Prev. 86.03	Close: 96.12 Prev.: 95.85	Close: 97.72 Prev.: 97.77

Energy	Capital Goods	Raw Materials	Consumer Goods	Miscellaneous
97.58 97.39 +0.20	97.17 97.21 -0.04	98.53 97.92 +0.62	96.21 96.44 -0.23	101.03 100.44 +0.59

Sweden Takes Steps To Ease Rate Pain

Compiled by Our Staff From Dispatches

STOCKHOLM — The Swedish central bank took steps to ameliorate the effect of its high-interest-rate policy on its economy Thursday, a move analysts said was likely to help its defense of the krona.

The Riksbanken also said a record 59 billion kronor (10.5 billion) streamed out of the country in the week of Sept. 17 to Sept. 23. The central bank has tried to stem the outflow of currency by raising its rate on overnight loans to banks to avoid devaluing the krona. This resulted in a Sept. 15 decision to raise the rate to an astounding 300 percent, which was reduced to a still-high 50 percent on Monday.

The central bank said Thursday it would provide up to 18 billion kronor to the country's mortgage institutions at a rate of 20 percent for up to four weeks.

The view from abroad has been that extraordinary krona defense measures, such as the key marginal lending rate of 30 percent, could not be maintained for long because of damage to the already-weak Swedish financial sector. The new measure will buy the Central Bank some more time, as well as boosting general market confidence and lifting bank stocks, analysts said.

Only a minority of Swedish homes are financed on floating-rate mortgages, which track the three-month treasury bills, and are therefore directly affected by recent interest-rate turbulence.

The main body of financing is based on two-year and five-year loans but a large number of these are being turned over in any given week.

Meanwhile, in Dublin, the Irish Central Bank tightened exchange controls and moved in to support the punt on Thursday, also seeking to avoid devaluation. Following Spain's lead in putting the squeeze on currency speculators, a central bank spokesman said "We suspended any swap activity by nonresidents in punts unless they receive explicit exchange control approval in advance."

Spain Curbs Cause Market Chaos

Compiled by Our Staff From Dispatches

MADRID — Spain's stock and bond markets went into a tailspin on Thursday as the impact of the sudden imposition of capital controls hit home.

The stock exchange general index fell through 200 to close at 197.80, its lowest level since early 1986, and bond prices plummeted.

The Bank of Spain brought in emergency capital controls on Wednesday to defend the peseta, which had faced renewed attack from speculators after being devalued last week by 5 percent in Europe's exchange rate mechanism.

The controls force banks lending pesetas to foreigners to deposit an equal amount with the central bank, effectively limiting the funds available, driving up short-term interest rates and making it practically impossible to borrow pesetas.

It boosted the value of the peseta against the Deutsche mark and stabilized it as the bank had intended, but at a price.

"The Bank of Spain rules have saved the peseta but at the cost of shares and bonds," one dealer said.

"Foreign investors are finding they cannot finance their positions and that's provoking massive selling," said Santiago Fernandez, an economist at Beta Capital.

Forward peseta rates shot up, making it prohibitively expensive for foreign investors to hedge their positions in the bond and stock markets.

One share analyst compared the situation with the 1987 market collapse when the stock exchange stuck to its daily price movement limits and left many foreign investors trapped, holding plummeting stocks.

In Brussels, EC officials said the EC Commission was unlikely to take action against the Spanish government.

"The issue is whether or not there is a sufficient emergency for such measures to be taken," said Howard Linnam, an EC lawyer with Oppenheimer, Wolf & Donnelly in Brussels.

Several parts of EC legislation allow exchange-rate controls to be taken by member states in a crisis. The issue is whether the current turmoil on the European currency

markets and the assault on the peseta is a big enough emergency.

The EC Commission is refusing to comment officially on anything affecting the exchange markets following a leak Wednesday that the Commission was looking into the Spanish move.

Privately, many commission officials in DG2, the commission's macroeconomic directorate, welcome the measures taken by the Spanish government.

"I would be surprised if the commission does take any action on this one" said one senior official. "It seems like the sensible thing to do under the circumstances."

Under the EC's directive to liberalize capital movements, adopted by EC governments in 1988, member states are allowed to take protective measures restricting capital movements only when foreign-exchange markets are exposed to short-term capital movements of exceptional magnitude.

Spain, Ireland, Portugal and Greece were allowed to defer the 1990 implementation deadline of the directive until the end of 1992.

(Reuters, Bloomberg)

BA Buys Into a French Carrier

Bloomberg Business News

LONDON — British Airways said Thursday that it had agreed to buy 49.9 percent of TAT European Airlines, a French-based commuter airline, pending European Commission regulatory approval.

BA said it would pay £17.25 million (\$29.5 million) for the holding, which it is buying from TAT Group. The British carrier added that the purchase price might be changed when the transaction is completed, scheduled for January 1993. BA will hold four seats on the nine-member TAT board.

Under the plan, BA has an option to buy the remaining 50.1 percent of TAT by April 1, 1997. Also, TAT has an option to force the company to buy that stake by April 1997. Earlier this year, BA bought a 49 percent stake in the German domestic carrier Deutsche BA.

"It's an add-on deal that's part of a global strategy at British Air," said Christopher Will, transportation analyst at Lehman Brothers International. "It has to be stressed, it's a very small deal, and its importance is a very long-term one."

Christopher Will, transportation analyst, Lehman Brothers.

Porsche Stock Slips on Shift at Top

By Ferdinand Protzman

FRANKFURT, Germany — The stock of Porsche AG slipped Thursday as the market digested news that a virtually unknown engineer was likely to take over as the automaker's chairman.

The German sports-car manufacturer announced Wednesday that Arno Bohn, its chairman, was leaving at the end of this month because of "differences of opinion on corporate policy," three years before his contract was to expire.

Porsche's supervisory board is expected to elect Wendelin Wiedeking, the 40-year-old head of production at the company, as its new chairman.

The company's stock price fell from 539 Deutsche marks (\$560) to 535 DM on the Frankfurt Stock Exchange on Thursday. The price had risen 34 marks a share Wednesday, or 6.7 percent, to 539 DM.

Brokers said there were rumors that the Porsche family had bought sizable blocks of the company's stock Wednesday in an attempt to create the impression that Mr. Wiedeking's selection was being greeted positively by the market.

After working for Porsche from 1983 to 1988 in the special products division, Mr. Wiedeking was brought back to the company in 1991 as the executive in charge of the family owners. But he has kept a low profile.

"He is virtually unknown in Stuttgart," said Klaus Dieter Oehler, who covers the auto industry for the Stuttgarter Zeitung. "He has a reputation for technical competence and obviously the backing of the family."

Getting along with the owners and developing a new model may prove to be the toughest challenges facing Mr. Wiedeking in his new post. He will be the fifth Porsche chairman since 1980. Five of his predecessors have been ousted after disputes with the family.

Why Mr. Bohn was dumped this week is an open question. Some observers think the change may be tied to last week's turbulence in the European Monetary System.

"Over 50 percent of Porsche's sales come from abroad, and Britain and Italy have been important markets for their cars," said an executive at a German auto company, who asked not to be named. "It is possible that Porsche got caught on the wrong side of some currency futures contracts when the reassignment hit. That raises the possibility that they could actually suffer a loss this fiscal year. The family seized the moment and pinned the blame on Bohn, who has always claimed financial acumen as one of his strongest points."

Mr. Bohn had been at odds with the company's family owners for months over how to bring the world's last independent sports-car maker out of a severe slump. In contract negotiations last winter, he managed to retain his job only after issuing an ultimatum: "Fire me or extend my contract."

Mr. Bohn, a marketing and financial specialist who came to Porsche from the board of the German computer manufacturer Nixdorf AG shortly before that company had to be rescued from collapse by Siemens AG, was trying to revive Porsche's slumping sales by developing a less expensive "entry level" sports car for the global market. It is not expected to be ready before 1996.

The Porsche family, however, has long favored the development of a top-of-the-line sports coupe seating four people that would sell for more than \$100,000. Prices for the company's line of sports cars currently being around \$39,850 and can rise to \$200,000.

The state of Porsche's health is unclear. But sales have tumbled in the United States, which was Porsche's most important market during the 1980s, and have not been doing well elsewhere in the world, industry analysts said.

WALL STREET WATCH

Junk Bonds Are Back, And Oh So Respectable

By Allen R. Myerson
New York Times Service

NEW YORK — Discredited and discarded just a couple of years ago, junk bonds are back. With \$29.5 billion in new public issues sold so far this year, investment firms expect to easily surpass the record junk bond sales of \$31.9 billion set in the giddy market of 1986.

Investment bankers and analysts swear on their prospectuses that the current surge for the high-risk, high-yield securities is no replay of the anything-goes debt binge of the 1980s — a binge that sometimes turned lawless. Few of the new issues are fueling fresh corporate takeovers or hostile buyouts.

"The pirates of the Caribbean, they're gone," said Mariel Clemenson, director of high-field research at Lehman Brothers. Although many people had thought the industry would vanish, she said: "We survived. I can't believe it."

Most new junk bonds are instead allowing companies to pay off bank debt or older bonds, often helping them to reduce interest payments and lower their risks of default.

Mutual funds, besieged by investors seeking to regain some of the income they have lost on other holdings as interest rates have declined, are the most eager buyers. For investors, however, the danger of loss from junk bonds remains.

Junk bonds, usually called high-yield bonds by the people trying to sell them, are those given relatively low ratings — or sometimes none at all — by the agencies that grade corporate debt. They are rated below BBB minus by Standard & Poor's Corp. or Baa-3 by Moody's Investors Service.

Few investment advisers expect junk bonds to continue making the spectacular gains of the last two years. At best, they say, buyers will earn the current average rates of about 10.5 percent, a sharp omelet from the peak of 17 percent two years ago. Nonetheless, rates on junk bonds are well ahead of the 3 to 8 percent interest paid in money-market funds, savings accounts and the safest corporate bonds.

Some who scorned junk bonds in the past now recommend them. Jiehard C. Lehmann spent years saying in his *Defaulted Bonds*

See JUNK, Page 15

U.S. Growth at 1.5% During the 2d Quarter

The Associated Press

WASHINGTON — The economy grew at a slightly less zealous rate than first thought in the April-June quarter, but new claims for unemployment benefits rose in mid-September for the fourth week in a row, the government said Thursday.

Consumer confidence held the seasonally adjusted advance in the gross domestic product to an annual rate of 1.5 percent in the second quarter, the Commerce Department said, revising its previous estimate of 1.4 percent.

The second quarter performance followed a moderate increase of an annual 2.9 percent in the first three months of the year. That is considered poor for just after a recession, but it still was the best growth since the early months of the Bush administration.

Separately, the Labor Department said 414,000 Americans filed applications for unemployment during the week ended Sept. 12, an increase of 15,000. It was the fourth consecutive rise.

Analysts expected the mostly gloomy economic news to continue between now and the Nov. 3 presidential election.

"I can't see how the impression could possibly change before the election," said one economist, Paul W. Bolz of T. Rowe Price Associates in Baltimore. For political issues, he said, "George Bush is stuck with family values at this point."

Next week, the Labor Department reports on September's unemployment rate. Many economists fear the end of a federal summer jobs program for teenagers and job losses from the hurricane will cause an increase from the 7.6 percent August rate.

"What the numbers show is the economy is not particularly buoyant," said Paul Lally of R.E. Wrightson & Associates in New York. "We're still struggling to get our head above water."

Brady Sought Greenspan Policy Pledge

By Steven Greenhouse
New York Times Service

WASHINGTON — Treasury Secretary Nicholas F. Brady pressed the Federal Reserve chairman, Alan Greenspan, to achieve a certain amount of economic growth shortly before Mr. Greenspan's resignation and thought he had received a commitment, according to administration officials. But they denied that the Fed chairman had agreed to change monetary policy at Mr. Brady's behest.

Administration officials said that in meetings in July 1991, Mr. Brady told the Fed chairman that he hoped the Fed would help achieve 3 percent growth in 1992.

The meetings came just before President George Bush renominated Mr. Greenspan to a second four-year term as chairman.

Joseph R. Coyne, a Federal Reserve spokesman, said, "As far as extracting a commitment to achieve a certain level of economic growth, that's nonsense."

Economists said that it would be highly unusual and improper for a Treasury secretary to seek a commitment from a Federal Reserve chairman to achieve a certain level of economic growth as a quid pro quo for renomination.

The interaction between Mr. Brady and Mr. Greenspan was first reported in the Los Angeles Times Wednesday in an article suggesting that the nomination of Mr. Greenspan was delayed to pressure him to toe the administration's line.

Three administration officials denied that this was the reason, and one said that tensions between Mr. Brady and John H. Summa, then the White House chief of staff, caused the delay.

Mr. Coyne, the Federal Reserve spokesman, confirmed that Mr. Brady and Mr. Greenspan met in July 1991 shortly before he was renominated. "Brady did mention to the chairman that he would like interest rates lower, but he's been saying that for three years," Mr. Coyne said.

One administration official speculated that in their talks Mr. Greenspan might have explained to Mr. Brady that Federal Reserve members had agreed among themselves to increase the money supply by between 2.5 percent and 6.5 percent with the expectation that this would produce economic growth of 3 percent. This official said Mr. Brady might have construed this as an agreement on Mr. Greenspan's part to achieve 3 percent growth.

Several months later, the administration energetically criticized the Federal Reserve for failing to meet the central bank's own targets for monetary growth, saying that this helped cause the economic recovery of early 1991 to sputter in the second half of the year.

Administration officials said four officials were in charge of recommending whether to renominate Mr. Greenspan: Mr. Brady, Richard G. Darman, the White House budget director, Michael J. Boskin, chairman of the Council of Economic Advisers, and Mr. Summa.

One administration official said it would not have been outrageous for Mr. Brady to seek assurances from Mr. Greenspan that he would seek to achieve 3 percent growth since that was a modest goal. During the first year following other postwar recessions, this official noted, economic growth averaged nearly 6 percent.

CURRENCY & INTEREST RATES

Rate	Sept. 24	Sept. 23	Sept. 22	Sept. 21
1-month Treasury bill	7.875%	7.875%	7.875%	7.875%
3-month Treasury bill	8.125%	8.125%	8.125%	8.125%
6-month Treasury bill	8.375%	8.375%	8.375%	8.375%
1-year Treasury bill	8.625%	8.625%	8.625%	8.625%
1-month Eurodollar	8.875%	8.875%	8.875%	8.875%
3-month Eurodollar	9.125%	9.125%	9.125%	9.125%
6-month Eurodollar	9.375%	9.375%	9.375%	9.375%
1-year Eurodollar	9.625%	9.625%	9.625%	9.625%
1-month LIBOR	9.875%	9.875%	9.875%	9.875%
3-month LIBOR	10.125%	10.125%	10.125%	10.125%
6-month LIBOR	10.375%	10.375%	10.375%	10.375%
1-year LIBOR	10.625%	10.625%	10.625%	10.625%

Currency	Rate
British Pound	1.62
Deutsche Mark	1.55
French Franc	6.55
Japanese Yen	136.00
Swiss Franc	1.50
Italian Lira	2036.00
Spanish Peseta	166.64
Portuguese Escudo	200.48
Greek Dracma	340.75
Indian Rupee	47.83
Thai Baht	50.76
Philippine Peso	49.67
Malay Ringgit	2.36
Indonesian Rupiah	1684.00
Singapore Dollar	1.36
Chinese Yuan	8.27
South African Rand	13.75
Israeli Sheqel	4.85
South Korean Won	200.00
Thai Baht	50.76
Philippine Peso	49.67
Malay Ringgit	2.36
Indonesian Rupiah	1684.00
Singapore Dollar	1.36
Chinese Yuan	8.27
South African Rand	13.75
Israeli Sheqel	4.85
South Korean Won	200.00

Country	Rate
USA	7.875%
UK	8.00%
FR	8.25%
DE	8.50%
JP	8.75%
CH	9.00%
IT	9.25%
ES	9.50%
PT	9.75%
GR	10.00%
IN	10.25%
TH	10.50%
PH	10.75%
MY	11.00%
SI	11.25%
BR	11.50%
SA	11.75%
IS	12.00%
KR	12.25%

MARKET DIARY

Rate Outlook Helps End Losing Streak

NEW YORK — Wall Street rebounded from a three-day losing streak with a moderate gain on Thursday that was fueled by a rally in bonds.

The Dow Jones industrial average rose 9.18 points, to 3,287.87. Standard & Poor's 500 index rose 1.04 points to 418.48, and the Nasdaq Composite index gained 2.97 to 385.93.

On the New York Stock Exchange, advancers outnumbered decliners by a margin of roughly 4 to 3.

Volume slowed to about 188 million shares from 204.4 million on Wednesday. Trading, sluggish most of the day, surged near the close with several large block trades of American Telephone & Telegraph.

AT&T, going ex-dividend Thursday, fell 1/4 to 43 3/4. It was the most actively traded U.S. stock.

Weak data on the economy gave a boost to stocks and bonds because the slow growth implied borrowing costs would remain modest.

"The gross domestic product and unemployment claims just reinforced the fact they can't raise rates now — it would kill the economy," said Dale Tillis, manager of institutional equities trading at Charles Schwab in San Francisco.

The Commerce Department said the U.S. economy grew at an annual rate of 1.5 percent in the second quarter, slightly faster than first estimated, but corporate profits af-

ter taxes were weaker than first thought. The Labor Department said 15,000 Americans, or twice as many as expected, filed first-time claims for state unemployment insurance in the week ended Sept. 12.

Bonds jumped on the rise in jobless claims, pushing the yield on the benchmark 30-year bond down to 7.41 percent from 7.48 percent late Wednesday as the price rose 23/32 to 98.

After AT&T, the most active stocks were Merck & Co., Unisys Corp., General Motors Corp., and Greenwich Pharmaceuticals.

Drug stocks were a standout today. Merck fell 1 1/4 to 45 1/4 as data from the research firm IMS America showed slowing prescription growth for two of the company's major drugs.

Glaxo Holdings PLC ADRs dipped 1/4 to 26 1/4. The IMS data showed new prescriptions for ulcer drug Zantac rose only 2 percent in August from last year.

Continental Corp. plunged 6 1/4 to 24 on volume of 1.8 million shares after the company announced the charges it will have to absorb to cover the recent hurricanes.

Other insurance stocks rose on the belief that Continental's woes will spur an increase in property-casualty rates, analysts said.

American International Group jumped 7 1/4 to 10 1/4. General Re rose 8 1/4 to 10 1/4, and Chubb soared 4 1/4 to 7 1/4.

Reuters Holdings PLC ADRs jumped 3 to 65 1/4 after Merrill Lynch recommended purchase of the stock for the intermediate term.

(UPI, Bloomberg)

N.Y. Stocks

Decliners by a margin of roughly 4 to 3.

Volume slowed to about 188 million shares from 204.4 million on Wednesday.

Trading, sluggish most of the day, surged near the close with several large block trades of American Telephone & Telegraph.

AT&T, going ex-dividend Thursday, fell 1/4 to 43 3/4. It was the most actively traded U.S. stock.

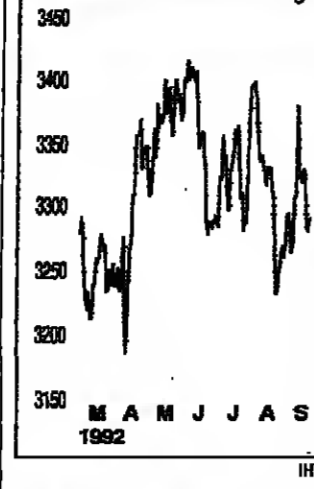
Weak data on the economy gave a boost to stocks and bonds because the slow growth implied borrowing costs would remain modest.

"The gross domestic product and unemployment claims just reinforced the fact they can't raise rates now — it would kill the economy," said Dale Tillis, manager of institutional equities trading at Charles Schwab in San Francisco.

The Commerce Department said the U.S. economy grew at an annual rate of 1.5 percent in the second quarter, slightly faster than first estimated, but corporate profits af-

The Dow

Daily closings of the Dow Jones industrial average



3150 3100 3050 3000 2950 2900 2850 2800 2750 2700 2650 2600 2550 2500 2450 2400 2350 2300 2250 2200 2150 2100 2050 2000 1950 1900 1850 1800 1750 1700 1650 1600 1550 1500 1450 1400 1350 1300 1250 1200 1150 1100 1050 1000 950 900 850 800 750 700 650 600 550 500 450 400 350 300 250 200 150 100 50 0

NYSE Most Active

Table listing top NYSE stocks: AT&T, Merck, Unisys, etc.

NYSE Most Active

Table listing top NYSE stocks: AT&T, Merck, Unisys, etc.

NYSE Diary

Table listing NYSE stock movements: Advanced, Declined, Unchanged, etc.

Amex Diary

Table listing Amex stock movements: Advanced, Declined, Unchanged, etc.

NASDAQ Diary

Table listing NASDAQ stock movements: Advanced, Declined, Unchanged, etc.

Dow Jones Averages

Open High Low Close Chg.

Table with columns: Index, Open, High, Low, Close, Change

Standard & Poor's Indexes

Table with columns: Index, High, Low, Close, Chg. Pct.

NYSE Indexes

Table with columns: Index, High, Low, Close, Chg. Pct.

NASDAQ Indexes

Table with columns: Index, High, Low, Close, Chg. Pct.

AMEX Stock Index

Table with columns: Index, High, Low, Close, Chg. Pct.

Dow Jones Bond Averages

Table with columns: Bond, Close, Chg. Pct.

Market Sales

Table with columns: Index, Volume, Value

N.Y.S.E. Odd-Lot Trading

Table with columns: Symbol, Buy, Sell, Short

S&P 100 Index Options

Table with columns: Symbol, Bid, Ask, Last, Chg.

EUROPEAN FUTURES

Close High Low Prev. Close

Table with columns: Future, Close, High, Low, Prev. Close, Change

COCOA (F00)

Table with columns: Future, Close, High, Low, Prev. Close, Change

COFFEES (F00)

Table with columns: Future, Close, High, Low, Prev. Close, Change

WHITE SUGAR (M00)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Metals

Table with columns: Metal, Close, High, Low, Prev. Close, Change

3-MONTH EURO-DOLLARS (L1FF)

Table with columns: Future, Close, High, Low, Prev. Close, Change

3-MONTH EURO-DOLLARS (L1FF)

Table with columns: Future, Close, High, Low, Prev. Close, Change

3-MONTH EURO-DOLLARS (L1FF)

Table with columns: Future, Close, High, Low, Prev. Close, Change

3-MONTH EURO-DOLLARS (L1FF)

Table with columns: Future, Close, High, Low, Prev. Close, Change

LONG GILT (LIFF)

Close High Low Prev. Close

Table with columns: Future, Close, High, Low, Prev. Close, Change

GERMAN GOVERNMENT BOND (LIFF)

Table with columns: Future, Close, High, Low, Prev. Close, Change

INDUSTRIALS

Table with columns: Index, Close, High, Low, Prev. Close, Change

GASOIL (LIFF)

Table with columns: Future, Close, High, Low, Prev. Close, Change

BREITENBURGER (LIFF)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Stock Indexes

Table with columns: Index, Close, High, Low, Prev. Close, Change

Spot Commodities

Table with columns: Commodity, Today, Prev.

Dividends

Table with columns: Company, Dividend, Ex-Div. Date

To Our Readers

Certain European futures prices were not available for this edition due to problems at the source.

Moody's Reviews Volvo's CP Rating

NEW YORK (AFX) — Moody's Investors Service is reviewing the Prime-1 commercial paper ratings of Volvo AB and its guaranteed units for possible downgrading, affecting about \$1 billion of commercial paper.

The review will focus on the adequacy of Volvo's debt-protection measurements given a protracted downturn in worldwide auto and truck demand, growing economic and financial pressures within Scandinavia, and Volvo's total indebtedness being reduced at a slower rate than was originally expected.

Moody's said, "Unit's ratings under review include Volvo Finance North America Inc., Volvo Cars of North America Inc., Volvo Group Finance Europe BV and Volvo Group Finance Sweden AB."

Rohr to Cut U.S. Aircraft Parts Jobs

CHULA VISTA, California (UPI) — Rohr Inc.'s top executive has told employees that the company may have to cut as many as 2,000 jobs over the next two to three years because of the slumping airline industry, a spokesman said Thursday.

Robert Goldsmith, chairman of the aircraft parts producer, made the disclosure in meetings with employees at Riverside, California, and its headquarters in Chula Vista in the past week. He said the projected cuts were the result of widespread cancellations and postponements of commercial airline deliveries and forecasts that the downturn would continue.

Rohr, which has about 9,100 employees, has already cut 2,000 jobs from its work force over the past 14 months.

General Dynamics to Lay Off 440

SAN DIEGO (UPI) — General Dynamics Corp. said Thursday it would cut 10 percent to 15 percent of the jobs at its Space Systems Division over the next several months, idling at least 440 workers.

"It is absolutely necessary to balance the size and skill mix of our work force with the realities of our market place," said Michael W. Wynne, president of the division, which has 4,400 employees.

The military contractor said most of the cuts will take place at the division's facilities in San Diego, which has 3,100 jobs, and at its facilities in Cape Canaveral, Florida, where it employs 560 workers.

SEC Files Suit on Motel 6 Trading

WASHINGTON (Bloomberg) — The Securities and Exchange Commission has filed a lawsuit against 18 individuals and a brokerage firm charging that they used insider information to trade securities of Motel 6.

The SEC charges that they traded Motel 6's securities before the chain was acquired by Accor SA of France in August 1990. Before the acquisition, Kohlberg Kravis & Roberts owned a majority of the Dallas-based chain through various partnerships.

In the lawsuit, the SEC says that Hugh Thrasher, executive vice president in charge of corporate communications at Motel 6, provided inside information on the pending acquisition to his long-time friend, Carl Harris. Mr. Harris, who has since died, passed on the tip to his relatives and numerous friends and acquaintances, the SEC said.

Unisys Restores Preferred Dividend

NEW YORK (AP) — Unisys Corp., the struggling computer maker, which has returned to profitability after closing plants and laying off workers, said Thursday that it would resume paying a dividend on its preferred stock.

Unisys also said it would pay out more to these shareholders than the regular dividend as it attempted to make up for the dividends it stopped paying during its financial troubles.

Unisys, based in Blue Bell, Pennsylvania, has also stopped paying the dividend on its common stock. Companies must first repay any back dividends owed on preferred shares before they are permitted to restore common-stock dividends.

YEN: Strongest Currency Around

(Continued from page 1)

of a rise in the yen and Yasushi Mieno, governor of the Bank of Japan, reiterated Thursday that he still favored a firming of the yen over the long term, according to press reports.

Sill, investors in the Tokyo stock market interpreted the developments favorably. The Nikkei index of 225 stocks rose 327.23 points Thursday to close at 18,609.95.

With Japan's own economy in a steep slump and interest rates low, the yen hardly appears to be a candidate for a strong rally. Many executives and economists believe that the yen looks good only by default, as investors seek to escape the turmoil in Europe and because prospects for the American economy are uncertain.

"The main reason for the sharp rise in the yen doesn't exist in the yen itself," said Akira Satate, deputy general manager of foreign exchange at the Bank of Tokyo.

Some executives said the current strength of the yen would be only transitory. But others say the same factors that have brought the yen to its current position will drive it even higher.

"The yen is now a safe-haven currency," said Robert Alan Feldman, director of economics and market analysis for Salomon Brothers Asia Ltd., who thinks the dollar will fall to 115 yen or even lower.

In other currency trading, the dollar slipped slightly against the mark as strains in the European Monetary System seemed to abate slightly and as unemployment claims data highlighted the weakness of the U.S. economy.

Traders said an easing in European tensions, no matter how slight, tended to dent the dollar's safe-haven status, causing it to drop to 1,483.00 DM, down from 1,499.00 DM on Wednesday.

The dollar climbed as high as 1,320.00 Swiss francs after that country cut interest rates. But traders quickly took profits and drove it down to 1,302.75 francs, off from 1,309.75 francs on Wednesday. The pound stood at \$1,708.5, little changed from \$1,710.5.

(Bloomberg, AP)

Continental's Storm Charge

(Compiled by Our Staff From Dispatches)

NEW YORK — Continental Corp. said Thursday it will take \$320 million in pretax charges in the third quarter for losses from Hurricanes Andrew and Iniki and for its withdrawal from "nonstrategic" businesses.

Iniki would cost insurers about \$1.6 billion, ranking it as the industry's third-costliest U.S. disaster, said an insurance group in Hartford, Connecticut.

Continental also accepted the resignation of its president and recommended slashing its quarterly dividend to 25 cents a share from 65 cents.

Continental estimated its losses from the hurricane designated Iniki, which struck Hawaii on Sept. 11, will total \$55 million after reinsurance.

(Bloomberg, AP)

U.S. FUTURES

Open High Low Close Chg.

Table with columns: Future, Open, High, Low, Close, Change

Grains

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEANS (S01)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN OIL (S02)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN MEAL (S03)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN OIL (S04)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN OIL (S05)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN OIL (S06)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN OIL (S07)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN OIL (S08)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN OIL (S09)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SOYBEAN OIL (S10)

Table with columns: Future, Close, High, Low, Prev. Close, Change

U.S. FUTURES

Open High Low Close Chg.

Table with columns: Future, Open, High, Low, Close, Change

Metals

Table with columns: Future, Close, High, Low, Prev. Close, Change

BRITISH POUND (U01)

Table with columns: Future, Close, High, Low, Prev. Close, Change

CANADIAN DOLLAR (U02)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SWISS FRANC (U03)

Table with columns: Future, Close, High, Low, Prev. Close, Change

EURO (U04)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U05)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U06)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U07)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U08)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U09)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U10)

Table with columns: Future, Close, High, Low, Prev. Close, Change

U.S. FUTURES

Open High Low Close Chg.

Table with columns: Future, Open, High, Low, Close, Change

Metals

Table with columns: Future, Close, High, Low, Prev. Close, Change

BRITISH POUND (U01)

Table with columns: Future, Close, High, Low, Prev. Close, Change

CANADIAN DOLLAR (U02)

Table with columns: Future, Close, High, Low, Prev. Close, Change

SWISS FRANC (U03)

Table with columns: Future, Close, High, Low, Prev. Close, Change

EURO (U04)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U05)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U06)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U07)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U08)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U09)

Table with columns: Future, Close, High, Low, Prev. Close, Change

Japanese Yen (U10)

Table with columns: Future, Close, High, Low, Prev. Close, Change

WORLD STOCK MARKETS

Agencies: France Press, Sept. 24

Amsterdam

Table with columns: Stock, Close, Prev., Chg.

Helsinki

Table with columns: Stock, Close, Prev., Chg.

Hong Kong

Table with columns: Stock, Close, Prev., Chg.

Brussels

Table with columns: Stock, Close, Prev., Chg.

Frankfurt

Table with columns: Stock, Close, Prev., Chg.

London

Table with columns: Stock, Close, Prev., Chg.

Paris

Table with columns: Stock, Close, Prev., Chg.

Madrid

Table with columns: Stock, Close, Prev., Chg.

Milan

Hagen Wins Nedlloyd Seat

Court Gives Norwegian Investor Long-Sought Position

By Barbara Smit
Special to the Herald Tribune

AMSTERDAM — Torstein Hagen, a controversial Norwegian investor, won an 18-month battle Thursday as a court order propelled him onto the board of Nedlloyd Group NV over the objections of employees, who can block appointments of directors under Dutch law.

Mr. Hagen, who asked to be appointed to the board in March 1991, owns 27 percent of the troubled transportation concern. The enterprises division of the Amsterdam Court of Appeal said Thursday that the objections raised to his appointment were unfounded.

"We're obviously disappointed, but there is nothing else we can do," Bloomberg Business News quoted the employees' council chairman, Izak de Looft, as saying in Rotterdam. "In general, the idea of a big shareholder in a position of power as supervisory board member causes us problems," said Mr. de Looft.

The court ruling comes after several years of jousting between Mr. Hagen and the supervisory board, which until earlier this year rejected the Norwegian as a raider, and unreliable.

"A lot of water has gone under the bridge," said Pieter Knootenbelt, a Nedlloyd spokesman. He explained that Mr. Hagen had abandoned demands to change the company's legal structure and promised not to take hostile actions.

Shareholders welcomed Mr. Hagen's surprise appointment by the supervisory board. The Norwegian investor had presented tough plans for Nedlloyd to divest noncore activities worth about 1.7 billion guilders (\$1.01 billion) and predicted fast recovery. He further pledged to defend the interest of the Nedlloyd shareholders.

The employees council blocked the board appointment, however, fearing Mr. Hagen's reorganization plans would cause large-scale job losses. After investigations about his track record in the Norwegian shipping industry, the council alleged that Mr. Hagen only intended to raise the share price and sell his stake.

"Nedlloyd employees were clearly afraid for their jobs. Hagen said he wanted to divest all noncore activities, and there are still a lot of them," said Richard Brukenhoff, a transportation analyst at Pierson, Feldring & Pierson.

In an apparent tit-for-tat move, the shareholders committee then blocked the nomination of Olivier van Royen and Jan van Stuijvenberg, two candidates supported by the employees council. All three appointments should come into effect next month under the court ruling.

Nedlloyd shares fell slightly in Amsterdam, losing 1.20 guilders, to 35.50, probably because the nomination has already been discounted by investors.

Fiat's Pretax Profit Tumbles 55% Despite Boost from Telecoms Sale

Compiled by Our Staff From Dispatches

TURIN — Fiat SpA, Italy's largest car maker and largest private sector company, said Thursday that its pretax profit dropped in 655 billion Italian lire (\$521 million) in the first half of 1992, down 55 percent from a year earlier.

The fall in profit would have been even sharper without one-time gains from the sale of Fiat's stake in Alcatel Italia, the Italian unit of Alcatel Alsthom SA. A Fiat spokesman said the Alcatel sale boosted pretax profit by 367 billion lire.

Citing the "negative international situation," the company said that pretax profit as a percentage of sales fell to 2.2 percent in the first half of 1992 from 4.9 percent in the year-earlier period.

The company said that the second half of the year has been "characterized by increasing uncertainty and preoccupation regarding the international economic situation." However, a company spokesman said he expected the company to turn a profit for the year as a result of restructuring and action being taken to contain costs.

Shares of the company, which represents 3.5 percent of Italy's total economic output, tumbled

by 75 lire, or 2 percent, to 3,565 lire on the Milan Stock Exchange on Thursday.

Analysis said that Fiat's lower profit would be taken as a sign that overall investment and consumer spending are slowing down in Italy, the analysis said.

Consolidated sales edged up 2.2 percent in the first half to 30,142 billion lire, while investment rose 7 percent to 1,654 billion lire, Fiat said.

Fiat also announced that its net debt jumped to 2.51 trillion lire at June 30 compared to a net cash position of 431 billion lire a year before.

At Fiat Auto, the automobile unit that represents about half the group, sales fell 6.3 percent to 14,379 billion lire. With a European market share of 12.6 percent, it remains the second largest car maker in Europe, behind Volkswagen AG.

Sales of industrial vehicles were little changed at 4,244 billion lire, compared with 4,225 billion lire in 1991.

Fiat also announced that its construction unit Cogefar Impresit SpA recorded a first half operating loss of 9 billion lire compared with a profit of 16 billion for the same period a year earlier.

(Reuters, Bloomberg, AFP)

Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	CBS Trend	113.10	113.10	Unch.
Brussels	Stock Index	5,475.15	5,458.08	+0.31
Frankfurt	DAX	1,530.94	1,557.83	-1.73
Frankfurt	FAZ	602.72	613.94	-1.83
Helsinki	HEX	584.15	577.81	+1.10
London	Financial Times 30	1,938.70	1,901.80	+1.94
London	FTSE 100	2,621.20	2,580.50	+1.58
Madrid	General Index	197.80	205.22	-3.62
Milan	MBE	718.00	721.00	-0.42
Paris	CAC 40	1,829.50	1,828.93	+0.03
Stockholm	Aktieindex	833.74	834.18	-0.05
Vienna	Stock Index	377.41	379.05	-0.43
Zurich	SBS	847.80	848.90	-0.17

Sources: Reuters, AFP

Perrier Plans 1993 Cutback Of 750 Jobs

Compiled by Our Staff From Dispatches

PARIS — Source Perrier, recently acquired by the Swiss food giant Nestlé SA, has announced that it expects to cut 750 jobs next year from its work force of 5,400.

Perrier said Wednesday that its workers would be fired. The plan, as submitted to workers' representatives, calls for training programs, early retirement and the use of part-time employees.

The planned cuts signal that Perrier's profitability has suffered from a 1990 health care and stock markets.

Citing the 1990 cutback in output following the discovery of traces of cancer-causing benzene in Perrier samples in the United States, Perrier said production in 1991 was 40 percent below its level of 1989.

It added that the mineral water market had "stagnated" over the last two years.

(AFP, Reuters)

Tisch-Ranieri Bid Rejected For Canary Wharf Project

The Associated Press

LONDON — Bankers for the Canary Wharf office development have rejected a bid for the troubled project by a U.S. group that includes the chairman of CBS Inc., Laurence Tisch, the lead bank said Thursday.

Lloyds Bank said seven of the 11 banks voted earlier this week at a meeting in New York to reject the \$235 million (\$402 million) bid from the group, which also includes Lewis Ranieri, a former vice chairman of Salomon Brothers.

The bid had been put together by the founder of Olympia & York Developments Ltd., Paul Reichmann, who wanted to maintain a stake in Canary Wharf after losing control of the London project in May as the company's financial troubles grew.

Canary Wharf, Europe's largest commercial office development, was envisioned by Mr. Reichmann as a new center for European business, but it is unfinished in a location some distance from London's financial center, and there is doubt whether anyone will put up the money to extend a subway line to the complex.

Olympia & York sought bankruptcy court protection in May for the £3 billion Canary Wharf project and its Canadian properties after talks with the bankers collapsed.

Rolls-Royce Cars Lays Off 950, or 30% of Workers

Compiled by Our Staff From Dispatches

LONDON — The luxury car maker Rolls-Royce Motor Cars Ltd. said Thursday it was laying off 30 percent of its total work force.

The Rolls-Royce chairman, Peter Ward, said he "deeply regretted" the 950 factory job losses but the company saw no sign of recovery in the recession-hit car industry.

"We must take this action now to protect remaining jobs and ensure we can support continuing investment," he said.

The company said the jobs would be lost by the end of the year at its factory in Crewe, north of London. The remaining worldwide work force at Rolls-Royce Motor will be 2,400, com-

Ford of Britain Idles 1,350

Compiled by Our Staff From Dispatches

LONDON — Ford Motor Co., Britain's largest car maker, said Thursday it would cut 1,350 jobs from two plants because of falling sales caused by the recession.

Ford last cut its British work force in February when it shed 2,100 of its 40,000 jobs.

The company said it would cut October car production by 12,000 units in view of lagging car sales. Last month it cut September output by 8,000 units.

In the new cuts, the company will reduce production of the Fiesta model at its Dagenham plant in Essex by 6,000 units. A further 6,000 units of its Escort and Orion models will be affected at its Halewood plant on Merseyside.

Mr. Lloyd said heavy reduction in demand in Japan had been "particularly disappointing."

(Reuters, AFP, Bloomberg)

EC Inflation 4.1% in August

The Associated Press

BRUSSELS — The European Community's average annual inflation rate stayed steady at 4.1 percent in August, the EC statistics agency Eurostat reported Thursday. The EC rate compared to 3.1 percent for the United States and 1.7 percent for Japan.

JUNK: High-Yield Bonds Are Back, and Respectable

(Continued from first finance page)

Newsletter that the bonds' high interest rates failed to justify their risks.

Mr. Lehmann is now also publishing a monthly High Yield Securities Journal that concentrates more on the opportunities. "We can actually say some positive things for a change," he said.

Defaults on the bonds peaked at \$28.5 billion in 1990, as many savings and loans, insurance companies and individual investors absorbed huge losses. Regulators forced savings institutions and investors to dump their junk bonds, and many critics doubted that the market would ever revive.

So far this year, defaults are down to \$5.6 billion. In Mr. Leh-

MARKETS: After the Swiss, Germans May Cut Rates

(Continued from page 1)

that "the market is not convinced the fight is over."

Nevertheless, the clear reduction in the selling pressure on the franc was an indication that some reassessment was under way.

"This has not been a speculative-driven attack on the franc; it's been a flow-driven unwinding of genuine investments built up in France over the past four or five years," observed Andres Drobny at CS First Boston.

Foreign investors are estimated to have been holding some 800 billion francs (\$150 billion) of bonds and shares.

The decision to sell the assets or cover the exchange risk does not occur all at once.

"It's a domino effect," Mr. Drobny said.

Contributing to the mood of reassessment was a report in two newspapers asserting that Chancellor Helmut Kohl and President François Mitterrand at their meeting in Paris on Tuesday had agreed to link the franc with the mark. The story was officially denied in Paris and Bonn.

Kuwait Is to Bail Out Grupo Torras

AFP-Euro News

MADRID — Grupo Torras SA said the Kuwait Investment Office has decided to inject 240 billion pesetas (\$2.36 billion) into the group, which is the KIO's Spanish holding company.

The company said 140 billion pesetas will be used to recapitalize the holding company with a further 40 billion injected into Torras Paper.

The Kuwait decision comes after a meeting between Kuwaiti officials and Spain's finance minister, Carlos Solchuga, in Washington on Tuesday to discuss Kuwait's future investment strategy in Spain.

NYSE			
Thursday's Closing			
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press			
(Continued)			
Div	Yld	PE	Low
1.7	12	12	1.1
1.8	11	11	1.2
1.9	10	10	1.3
2.0	9	9	1.4
2.1	8	8	1.5
2.2	7	7	1.6
2.3	6	6	1.7
2.4	5	5	1.8
2.5	4	4	1.9
2.6	3	3	2.0
2.7	2	2	2.1
2.8	1	1	2.2
2.9	0	0	2.3
3.0	-1	-1	2.4
3.1	-2	-2	2.5
3.2	-3	-3	2.6
3.3	-4	-4	2.7
3.4	-5	-5	2.8
3.5	-6	-6	2.9
3.6	-7	-7	3.0
3.7	-8	-8	3.1
3.8	-9	-9	3.2
3.9	-10	-10	3.3
4.0	-11	-11	3.4
4.1	-12	-12	3.5
4.2	-13	-13	3.6
4.3	-14	-14	3.7
4.4	-15	-15	3.8
4.5	-16	-16	3.9
4.6	-17	-17	4.0
4.7	-18	-18	4.1
4.8	-19	-19	4.2
4.9	-20	-20	4.3
5.0	-21	-21	4.4
5.1	-22	-22	4.5
5.2	-23	-23	4.6
5.3	-24	-24	4.7
5.4	-25	-25	4.8
5.5	-26	-26	4.9
5.6	-27	-27	5.0
5.7	-28	-28	5.1
5.8	-29	-29	5.2
5.9	-30	-30	5.3
6.0	-31	-31	5.4
6.1	-32	-32	5.5
6.2	-33	-33	5.6
6.3	-34	-34	5.7
6.4	-35	-35	5.8
6.5	-36	-36	5.9
6.6	-37	-37	6.0
6.7	-38	-38	6.1
6.8	-39	-39	6.2
6.9	-40	-40	6.3
7.0	-41	-41	6.4
7.1	-42	-42	6.5
7.2	-43	-43	6.6
7.3	-44	-44	6.7
7.4	-45	-45	6.8
7.5	-46	-46	6.9
7.6	-47	-47	7.0
7.7	-48	-48	7.1
7.8	-49	-49	7.2
7.9	-50	-50	7.3
8.0	-51	-51	7.4
8.1	-52	-52	7.5
8.2	-53	-53	7.6
8.3	-54	-54	7.7
8.4	-55	-55	7.8
8.5	-56	-56	7.9
8.6	-57	-57	8.0
8.7	-58	-58	8.1
8.8	-59	-59	8.2
8.9	-60	-60	8.3
9.0	-61	-61	8.4
9.1	-62	-62	8.5
9.2	-63	-63	8.6
9.3	-64	-64	8.7
9.4	-65	-65	8.8
9.5	-66	-66	8.9
9.6	-67	-67	9.0
9.7	-68	-68	9.1
9.8	-69	-69	9.2
9.9	-70	-70	9.3
10.0	-71	-71	9.4
10.1	-72	-72	9.5
10.2	-73	-73	9.6
10.3	-74	-74	9.7
10.4	-75	-75	9.8
10.5	-76	-76	9.9
10.6	-77	-77	10.0
10.7	-78	-78	10.1
10.8	-79	-79	10.2
10.9	-80	-80	10.3
11.0	-81	-81	10.4
11.1	-82	-82	10.5
11.2	-83	-83	10.6
11.3	-84	-84	10.7
11.4	-85	-85	10.8
11.5	-86	-86	10.9
11.6	-87	-87	11.0
11.7	-88	-88	11.1
11.8	-89	-89	11.2
11.9	-90	-90	11.3
12.0	-91	-91	11.4
12.1	-92	-92	11.5
12.2	-93	-93	11.6
12.3	-94	-94	11.7
12.4	-95	-95	11.8
12.5	-96	-96	11.9
12.6	-97	-97	12.0
12.7	-98	-98	12.1
12.8	-99	-99	12.2
12.9	-100	-100	12.3
13.0	-101	-101	12.4
13.1	-102	-102	12.5
13.2	-103	-103	12.6
13.3	-104	-104	12.7
13.4	-105	-105	12.8
13.5	-106	-106	12.9
13.6	-107	-107	13.0
13.7	-108	-108	13.1
13.8	-109	-109	13.2
13.9	-110	-110	13.3
14.0	-111	-111	13.4
14.1	-112	-112	13.5
14.2	-113	-113	13.6
14.3	-114	-114	13.7
14.4	-115	-115	13.8
14.5	-116	-116	13.9
14.6	-117	-117	14.0
14.7	-118	-118	14.1
14.8	-119	-119	14.2
14.9	-120	-120	14.3
15.0	-121	-121	14.4
15.1	-122	-122	14.5
15.2	-123	-123	14.6
15.3	-124	-124	14.7
15.4	-125	-125	14.8
15.5	-126	-126	14.9
15.6	-127	-127	15.0
15.7	-128	-128	15.1
15.8	-129	-129	15.2
15.9	-130	-130	15.3
16.0	-131	-131	15.4
16.1	-132	-132	15.5
16.2	-133	-133	15.6
16.3	-134	-134	15.7
16.4	-135	-135	15.8
16.5	-136	-136	15.9
16.6	-137	-137	16.0
16.7	-138	-138	16.1
16.8	-139	-139	16.2
16.9	-140	-140	16.3
17.0	-141	-141	16.4
17.1	-142	-142	16.5
17.2	-143	-143	16.6
17.3	-144	-144	16.7
17.4	-145	-145	16.8
17.5	-146	-146	16.9
17.6	-147	-147	17.0
17.7	-148	-148	17.1
17.8	-149	-149	17.2
17.9	-150	-150	17.3
18.0	-151	-151	17.4
18.1	-152	-152	17.5
18.2	-153	-153	17.6
18.3	-154	-154	17.7
18.4	-155	-155	17.8
18.5	-156	-156	17.9
18.6	-157	-157	18.0
18.7	-158	-158	18.1
18.8	-159	-159	18.2
18.9	-160	-160	18.3
19.0	-161	-161	18.4
19.1	-162	-162	18.5
19.2	-163	-163	18.6
19.3	-164	-164	

Lithuania Joins Move to Jettison Ruble

Compiled by Our Staff From Dispatches

MOSCOW — The unpopular Russian ruble weakened Thursday, following an announcement that Lithuania would join the other Baltic republics in instituting its own currency.

At the twice-weekly currency auction on the Moscow Interbank Currency Exchange, the dollar rose to a record 248 rubles, up from 241, the previous record, set at the previous session, on Tuesday. Trading volume was \$63 million.

Traders attributed the latest weakness in the ruble to an increase in domestic oil prices, which is expected to fuel inflation.

In Lithuania, Prime Minister Aleksandras Abisala said the country would replace the battered ruble with a temporary system of coupons on Oct. 1.

"The government and central bank decided it was necessary to have our own government and bank-ruled monetary system," Mr. Abisala told national television Wednesday evening. "This is the only way to start stabilizing the economy and restore order," he said.

Lithuania will become the last of the three newly-independent Baltic republics to ditch the

ruble, now plunging in value against the dollar amid growing fears the Russian economy is being overwhelmed by inflation.

The coupons will be valid until the introduction of the litas, the planned national currency, but Mr. Abisala gave no hint of when this might happen.

Latvia has already temporarily replaced the ruble with the Latvian ruble. In June Estonia introduced its own permanent currency, the kroon, which is pegged to the Deutsche mark.

"Perhaps some of you will be disappointed that we are not introducing the litas immediately," Mr. Abisala said. "After long discussions we decided to choose the Latvian variant and to introduce an intermediate money so that the transfer to this system would not be painful."

He said coupons would be made available immediately and would have the same face value as rubles until Oct. 1, after which the former Soviet currency could be changed at banks according to the market rate.

"Lithuania has an old tradition of strong money. Before World War Two the litas was one of the strongest currencies. I hope those

traditions will be maintained," Mr. Abisala said. (Reuters, AP, AFP)

Professional Pay Rise

Russia boosted salaries Thursday for teachers and health workers, whose pay has lagged far behind industrial wages and the galloping rate of inflation, United Press International reported from Moscow.

Labor Ministry officials said state-paid doctors, teachers and cultural workers would see their pay double, compared with last June.

With state spending slashed as part of the government's "shock therapy" reforms to cut the budget deficit and strengthen the ruble, public-sector employees have been hit the hardest, forced to watch their real income fall as prices have skyrocketed.

The pay increase is clearly intended to pacify teacher and health worker unions, which have staged frequent strikes for higher wages. The average industrial wage is 6,305 rubles a month, while health workers will get 4,000 rubles and cultural workers 2,800 rubles.

NASDAQ

Thursday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

Symbol	Price	Change
IBM	100.00	+0.25
MSFT	55.00	+0.50
ORCL	45.00	+0.25
INTL	35.00	+0.10
GOOG	25.00	+0.15
AMZN	15.00	+0.05
EBAY	10.00	+0.02
SHOP	8.00	+0.01
WALD	7.00	+0.01
WALM	6.00	+0.01
WALG	5.00	+0.01
WALD	4.00	+0.01
WALM	3.00	+0.01
WALG	2.00	+0.01
WALD	1.00	+0.01
WALM	0.50	+0.01
WALG	0.25	+0.01
WALD	0.10	+0.01
WALM	0.05	+0.01
WALG	0.02	+0.01
WALD	0.01	+0.01

AMEX

Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Price	Change
IBM	100.00	+0.25
MSFT	55.00	+0.50
ORCL	45.00	+0.25
INTL	35.00	+0.10
GOOG	25.00	+0.15
AMZN	15.00	+0.05
EBAY	10.00	+0.02
SHOP	8.00	+0.01
WALD	7.00	+0.01
WALM	6.00	+0.01
WALG	5.00	+0.01
WALD	4.00	+0.01
WALM	3.00	+0.01
WALG	2.00	+0.01
WALD	1.00	+0.01
WALM	0.50	+0.01
WALG	0.25	+0.01
WALD	0.10	+0.01
WALM	0.05	+0.01
WALG	0.02	+0.01
WALD	0.01	+0.01

Symbol	Price	Change
IBM	100.00	+0.25
MSFT	55.00	+0.50
ORCL	45.00	+0.25
INTL	35.00	+0.10
GOOG	25.00	+0.15
AMZN	15.00	+0.05
EBAY	10.00	+0.02
SHOP	8.00	+0.01
WALD	7.00	+0.01
WALM	6.00	+0.01
WALG	5.00	+0.01
WALD	4.00	+0.01
WALM	3.00	+0.01
WALG	2.00	+0.01
WALD	1.00	+0.01
WALM	0.50	+0.01
WALG	0.25	+0.01
WALD	0.10	+0.01
WALM	0.05	+0.01
WALG	0.02	+0.01
WALD	0.01	+0.01

Symbol	Price	Change
IBM	100.00	+0.25
MSFT	55.00	+0.50
ORCL	45.00	+0.25
INTL	35.00	+0.10
GOOG	25.00	+0.15
AMZN	15.00	+0.05
EBAY	10.00	+0.02
SHOP	8.00	+0.01
WALD	7.00	+0.01
WALM	6.00	+0.01
WALG	5.00	+0.01
WALD	4.00	+0.01
WALM	3.00	+0.01
WALG	2.00	+0.01
WALD	1.00	+0.01
WALM	0.50	+0.01
WALG	0.25	+0.01
WALD	0.10	+0.01
WALM	0.05	+0.01
WALG	0.02	+0.01
WALD	0.01	+0.01

Symbol	Price	Change
IBM	100.00	+0.25
MSFT	55.00	+0.50
ORCL	45.00	+0.25
INTL	35.00	+0.10
GOOG	25.00	+0.15
AMZN	15.00	+0.05
EBAY	10.00	+0.02
SHOP	8.00	+0.01
WALD	7.00	+0.01
WALM	6.00	+0.01
WALG	5.00	+0.01
WALD	4.00	+0.01
WALM	3.00	+0.01
WALG	2.00	+0.01
WALD	1.00	+0.01
WALM	0.50	+0.01
WALG	0.25	+0.01
WALD	0.10	+0.01
WALM	0.05	+0.01
WALG	0.02	+0.01
WALD	0.01	+0.01

كسب الاموال

SPORTS TENNIS

It's Davis Cup Showtime Again

MINNEAPOLIS — For John McEnroe, the last meeting with Sweden was the low point for the United States in recent Davis Cup history.

There were several ugly-American incidents in the 1984 final in Göteborg, most involving Jimmy Connors, some McEnroe.

The U.S. team dropped its first three matches, Connors never played Davis Cup again and McEnroe didn't return until 1987.

"History has proven that it turned out to be a turning point in the negative direction for a while," McEnroe said. "At that time, Jimmy and I were not getting along. It just wasn't a team feeling. That was probably, of all the years, my least favorite."

Mac is back. Again on red clay. Again facing Sweden, this time in the Davis Cup semifinal that begins Friday.

He is joined by doubles partner Pete Sampras and singles players Andre Agassi and Jim Courier. They'll face a Swedish team featuring top-ranked Stefan Edberg, with the winner advancing to the championship in December. Brazil and Switzerland meet in Geneva in this weekend's other semifinal.

Although the United States and Sweden have done nothing but practice so far, McEnroe said this event is already infinitely more enjoyable than the 1984 final was.

"It's much more preferable to me, especially having already won it four times, that I be with a group of guys that I really like and that we have a team feeling," said McEnroe, who has a U.S.-record 57 Davis Cup match victories but hasn't won a team title since 1982.

In 1984, while Connors lost the event's first match (6-1, 6-3, 6-3 to Mats Wilander), he repeatedly screamed and swore at officials. He immediately went home, not even waiting for the event to end.

McEnroe also lost, also in straight sets, to Henrik Sundstrom. McEnroe and Peter Fleming, whose Davis Cup doubles record was 14-0, then lost to Edberg and Anders Jarryd—the same two some McEnroe and Sampras face Saturday.

Though he wasn't as abusive as Connors had been, McEnroe was McEnroe. Meaning he also lost his temper a few times.

"Jimmy had some problems over in Sweden and they kind of lumped me in with it because of my past history," McEnroe said. "They

made us sign some sort of pledge of conduct that I didn't sign. Because of that, in '85 I was ineligible."

In 1986, the USTA's president, Randy Gregson, didn't let McEnroe play because he didn't like McEnroe's personality.

"So that's two years wasted that we could have won it," McEnroe said. "Since then, it was an uphill battle until Andre and Michael Chang won it in 1990. There was an eight-year period where we were dry."

Thanks to today's young talent, the 33-year-old McEnroe doesn't expect any dry spells in the near future. He's again excited about the direction of U.S. tennis.

"If you look at American tennis now, we have Andre, Jim, Chang and Sampras—four of the top six or seven players in the world. It's a fantastic opportunity for American tennis to get back to the position of what Americans expect it to be."

Switzerland Is Favored
Olympic gold medalist Marc Rosset, leads Switzerland against Brazil in the Davis Cup battle of the upstart Agence France-Presse reported from Geneva.

To get here, the Swiss edged defending champion France, 3-2, while Brazil eliminated Italy, 3-1, after beating Germany by the same score in the previous round.

On paper, the Swiss should have the upper hand in this weekend's encounter, which starts Friday with the singles matches.

Hard-serving Rosset and Czech-born Jacob Hlasek are ranked higher than Brazil's top players, Luiz Mattar and Jaime Oncinas, and can count on 18,000 fans to roar them on.

At the same time, the Brazilian camp is riven by a hostile relationship between the players and the country's tennis federation.

Sponsorship money that should have gone to the players was used instead on the federation's deficit.

"The president of the federation is a cowboy. He is irresponsible," said Cassio Motta, the team's third player.

A Brazilian bank has stepped in to underwrite the team and is flying a six-person orchestra to Geneva to cost its chances.

Also, Oncinas, 22, is on a Davis Cup roll, having won nine consecutive matches and, in the process, become a national hero.



The U.S. team's coach, Tom Gorman, with John McEnroe at practice for the Davis Cup semifinal matches against Sweden.

SIDELINES

Becker Hires Bresnik as New Coach

ESSEN, Germany (Reuters) — Three-times Wimbledon champion Boris Becker, who in June split with his former trainer, Tomas Smid of Czechoslovakia, said Thursday he has hired the Austrian Davis Cup captain, Günther Bresnik, as his new private coach.

Becker, 24, who has slipped to eighth in the world rankings, said he planned to start working with Bresnik, 31, at next week's ATP tournament in Basle, Switzerland.

"The next few tournaments will be a test of how we can work together," Becker said on the eve of Germany's Davis Cup match against Belgium.

Auto Rally Becomes Hide-and-Seek

PARIS (AFP) — Kenjiro Shinozuka of Japan, in a Mitsubishi, won Thursday's 19th stage of the Paris-Moscow-Beijing rally, from Wuwei to Yinchuan in China.

"It was a bit like musical chairs, with the leader losing his way and the second-placed driver taking over," said Shinozuka. "I just happened to be leading at the end."

Pierre Lartigue of France, in a Citroën, came in sixth but still led his nearest rival, Erwin Weber of Germany, by more than an hour.

Marcionis Has Surgery on Leg

OAKLAND, California (AP) — Golden State Warriors guard Sarunas Marcionis has had surgery on a fractured right fibula and a dislocated right ankle and will be sidelined for at least eight weeks.

Marcionis, the NBA's highest scoring sixth man last season at 18.9 points per game, was injured over the weekend when he stepped on a root or branch while running through a wooded area near his home in Vilnius, Lithuania, the team said. He returned to Oakland late Tuesday night.

For the Record

Uganda, Mauritania and Sudan have withdrawn from the 1994 World Cup on economic grounds. FIFA said Thursday while putting off indefinitely Libya's qualifying matches because of the UN ban on commercial air links with that country.

Arseen Wenger, the Monaco manager, was suspended for two matches by UEFA for being sent off during his team's UEFA Cup match Sept. 16.

Ian Woosnam shot 4-under-par 67 for a one-stroke lead over two Englishmen, rookie Jim Payne and Barry Lane, after one round of the Belgian Open.

Dance Smartly, the top 3-year-old filly in North America last year and the first Canadian-bred to win a Breeders' Cup race, was retired with a ligament injury.

Jahangir Khan, who had already said he was retiring, pulled out of the World Squash Championships in Johannesburg because of back pain.

Quotable

• The NFL's official Media Relations Playbook, advising players on how to deal with the media: "Don't use slang. Speak English. It's likely to be a requirement for your next job."

Connors-Navratilova: Battle Of Sexes All About Money

LAS VEGAS — Twenty years ago, 55-year-old Bobby Riggs said he could beat the best female tennis player in the world: 29-year-old Billie Jean King. He was wrong.

On Sept. 30, 1973, King beat Riggs 6-4, 6-3, 6-2 in a match billed as the battle of the sexes, but more reflected the social climate of the times than a sporting event.

Now comes Jimmy Connors versus Martina Navratilova on Friday, a three-set match with \$500,000 going to the winner, supplementing the reported \$300,000 appearance fee each player is getting.

While this match will have a degree of gender consciousness, it lacks the political weight of King-Riggs and has been relegated to pay-per-view rather than network television.

"To a lot of people, this is a fun match," said Connors.

Riggs, never one to miss a money show, turned up at the news conference and asked Navratilova if she would attack Connors's serve.

"I hope so" Navratilova said. "He's a man with steel will and nerves. How well I'll be able to attack, I don't know. But I have to go for the shots. I can't go easy."

Connors, who is 40, will get only one serve while giving Navratilova, 35, a court expanded by half a double's alley on each side to hit onto.

Asked if she expected the crowd to root for Connors, who is a 4-1 betting favorite, Navratilova said: "If it's based on betting, they'll favor him. If it's from their heart, they'll be for me, because I'm more likable."

She took a beat and smiled: "I'm more adorable," she said.



BOOKS

SACRED HUNGER

By Barry Unsworth. 630 pages. \$25. Doubleday, 666 Fifth Avenue, New York, New York 10103.

Reviewed by Gary Jennings

THE works of the English author Barry Unsworth have gone rather unappreciated in the United States, but this novel should change that.

It commences in Liverpool in the 1750s with the building and crewing of a ship designed solely for the transport of slaves from Africa to the West Indies. Eventually there is such a variety of seamen aboard that the reader may have trouble distinguishing among them, but some are unforgettable.

There is the mad Captain Saul Thurso, alongside whom captains Ahab and Bligh would have to rank as psychopaths. There is the First Mate James Barton, whose survival depends on sycophancy. There is the ship's surgeon, Matthew Paris, who is reluctantly on board only because his published ideas about evolution (anticipating Darwin by a century) have him fleeing a prison sentence imposed by an outraged Anglican bishop.

The bestiality of the slave trade is well-known, but Unsworth makes us aware also of the almost equal brutality common to those days even to "civilized" places like Liverpool. The scenes in which press gangs go about shanghaiing crewmen for the ship are among the best to the book.

Unsworth's blending of historical fact and his own imagination is well-nigh seamless, his research impeccable. He seems to know every detail of life in the mid-18th century: shipbuilding, ocean navigation, medicine, even wig-wearing and women's dress—and every landscape and seascape from England to West Africa to the South Atlantic to the then wilderness interior of Florida.

When the ship reaches Africa and crams its pathetic black cargo into its feid holds, everything that can go wrong does go wrong. Some of the valuable slaves starve themselves to death; others die merely of the squalor below decks. Then both the cargo and the crew begin to get decimated by malaria, scurvy, blackwater fever and "the bloody flux." The ship is alternately becalmed in the doldrums and beset by storms. The salt beef goes putrid, the fresh water runs out. The crewmen have to suffer vicious floggings for the least offenses.

When Thurso decides to start jettisoning even the still-living slaves, to save feeding them—and because, back in England, he can collect insurance on the "loss"—Matthew Paris and a couple of other decent men on board incite a mutiny.

Meanwhile, in Liverpool, the shipowner's son, Erasmus Kemp, is having a sort of "Pride and Prejudice" romance with the daughter of a country squire. I would say that this impedes the narrative, but it does establish Erasmus as the most unlovable lover imaginable. And, being the

lifelong enemy of Matthew, it is he who will bring the story to its terrible climax and conclusion.

A hurricane hurls the ship far off course and beaches it on the coast of southern Florida. The surviving white crewmen and black slaves determine to start life anew in this balmily hospitable land. They set up a colony, whites and blacks living in communal harmony: farming, fishing, hunting, cheerfully interbreeding, being very happy indeed. And they get away with this for 12 years, because England has long presumed the ship to have been sunk at sea.

But then some other passing seamen, ashore for fresh water, stumble upon the colony. They eventually report to London, and the vindictive Erasmus comes looking for his "property." I will not give away the story's ending, except to say that Erasmus need hardly be bothered. The colony has already been fraying, with one faction trying again to make slaves of another.

The dissolution of the Edenic colony is unaccountably reminiscent of "Lord of the Flies." And sometimes Unsworth's meticulous research gets obtusive; his disquisitions on England's parliamentary and commercial framings can be tiresome. But these are matters excusable in a novel that is otherwise utterly magnificent.

Gary Jennings' latest historical novel is "Raptor." He reviewed this book for The Washington Post.

BRIDGE

By Alan Truscott

AN English idiom was imported a quarter of a century ago, developed by Sam Stayman, it became known as the Staymans.

The idea is to use an opening bid of a four in a minor suit artificially, to show a long, strong major suit. A dramatic example is the diagrammed deal from semifinal stage of the International Team Trials in Memphis, from May, 1992.

Four clubs showed a relatively strong four-heart opening bid, and a four-diamond bid would similarly have shown spades. Over four clubs, South had an obvious four-spade bid. It was less obvious what West should do at this point. West doubled without much confidence, and then had a lead problem.

Looking at all four hands, it is obvious that South can make the doubled game by leading the spade-ace. But it was not obvious to North and South, who had to worry about the possibility that West's double was based on K-J-x in spades, in which case playing the ace would be fatal.

He therefore played a low trump which proved to be a disaster. West won the king and led his lowest club to give his partner a ruff. East cashed on heart winner and, guided by West's club play, shifted to diamonds. Now the defense took the diamond ace and a ruff for down two a penalty of 300.

NORTH (D)
♠ Q7 83
♥ J10 8 6 3
♦ J10 8 6 3
♣ J10

WEST EAST
♠ K J 8 5
♥ A K Q 8 7 5 4
♦ A 7 5 2 4 3
♣ Q 8 7 8 5 4 2 3

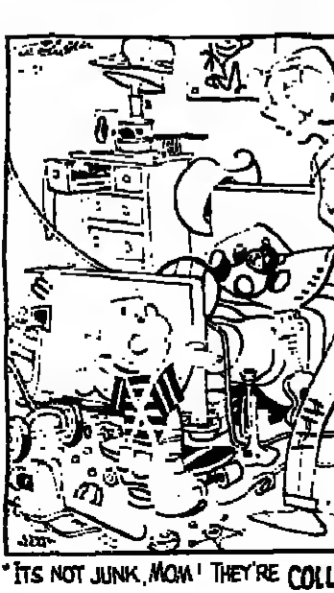
SOUTH
♠ A 10 9 6 4 3 2
♥ Q 2
♦ K Q 3
♣ A K

Neither side was vulnerable. The bidding:
North East South West
Pass Pass Pass Pass
West led the club eight.

DOONESBURY



DENNIS THE MENACE



JUMBLE

Unscramble these four anagrams, one letter to each square, to form four ordinary words.

E G G A U
Y E H R M
P O N I S H
N U R U T E

Now arrange the circled letters to form the surprise answer, on a clue given by the above letters.

(Answers tomorrow)

Yesterday's
Jumble's TWINE LIMIT WEASEL ZOOZAG
Answer: What kind of gappering did they have on the top of our dancery leader?—WALTZ TO WALTZ.

BLONDIE



PEANUTS



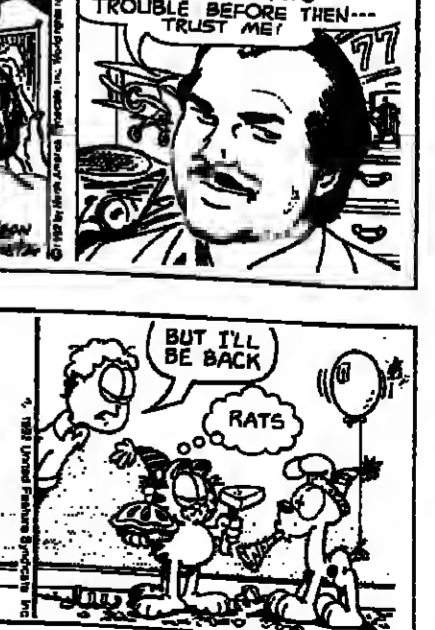
BEEBLE BAILEY



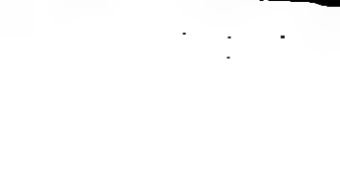
CALVIN AND HOBBS



WIZARD OF ID



REX MORGAN



GARFIELD



مدى من الاجل

OBSERVER

Affordable Manhattan

By Russell Baker
NEW YORK — Susan T. of Amsterdam Avenue is interested in "affordable housing." Her curiosity was piqued by Donald Trump a few months back when he was talking about one of those grandiose many-thousand-unit housing projects that engage the world's Trumps.

From Kung Fu to Postmodern Hong Kong

By Joan Dupont
TORONTO — Sylvia Chang finds audiences here very well behaved. In Hong Kong, movies are released on Saturday night to an audience that chants, screams and talks back to the actors on the screen.



Filmmaker Sylvia Chang: "I've been called a 'female Superman'."

Ken wife, the sad-eyed whores: she has been billed as a feminist, but she doesn't see it that way. "I've been called a 'female Superman' because of the way I work and the energy I have, but if we're equal, why should we have special names? In all my films, there's a very important man in the story — behind every woman's problem is a man's problem. I don't want to put down men; I want to remind them that for the past decades, women have been changing. We used to have bound feet, we couldn't leave our homes. Now everything has changed. We're growing, but men haven't grown much; they have only one rove. Maybe it's time they looked at us."

PEOPLE

Do a Good Deed, Buy Dirty Harry's Gun

Clint Eastwood donated his 44 Magnum from "Dirty Harry." Phil Collins a signed pair of drumsticks and Bob Dylan a harmonica for an auction of celebrity memorabilia in Miami Friday night to raise money for Hurricane Andrew's victims. Michael Jordan gave an autographed basketball. Gloria Estefan, Julio Iglesias and Santana contributed autographed jackets.

PERSONALS
TODAY'S REAL ESTATE MARKETPLACE
Appears on Page 6
EDUCATION
FRENCH made easy Paris 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, 15th, 16th, 17th, 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th, 29th, 30th, 31st.

HOLIDAYS & TRAVEL
CHATEAU DU TERTRE
Restaurant - Hotel
INDIAN SUMMER BREAK IN NORMANDY - KEEN PRICES
5 Min from William the Conqueror's Battlefield. Charm, welcome, service - daily.
TOP CLASS CUISINE
14700 Saint Martin de Mieux (Falaise)
Tel: (33) 31 90 01 04 - Fax: (33) 31 90 53 16

LOW COST FLIGHTS
ACCESS VOYAGES
New York \$210
Los Angeles \$210
Miami \$210
Paris \$210
London \$210
Tokyo \$210
Sydney \$210
Auckland \$210
Wellington \$210
Christchurch \$210
Dunedin \$210
200 more destinations around world.
Rates subject to availability.
Tel: 1-461-1833/1834
Fax: 1-461-1833/1834

ESCORTS & GUIDES
BELLE EPOCH
LONDON
01 927 8882
Czech Cruise, Walcott
MERCEDS
MAJOR CREDIT CARDS ACCEPTED
Tel: 01 351 6646

INTERNATIONAL CLASSIFIED
MOVING
trans euro
PARIS TEL: 1.34.48.97.97
interdean
FOR A FREE ESTIMATE CALL
PARIS (1) 37569000
SATellite TV
REVERA SATELLITE
DUTCH BARGE
LEGAL SERVICES
ANNOUNCEMENTS
THE AMERICAN UNIVERSITY OF PARIS
STUDIES IN INTL BUSINESS AND EC LAW
EMPLOYMENT
GENERAL POSITIONS WANTED
BUSINESS DEVELOPMENT
BUSINESS TRAVEL
OFFSHORE
IRISH NON-RESIDENT COMPANIES E195
OFFSHORE
CRUDE OIL

INTERNATIONAL CLASSIFIED
HOLIDAY RENTALS
CARIBBEAN
GREAT BRITAIN
PHILIPPINES
ITALY
GERMANY
INTERNATIONAL
AMSTERDAM LIBERTY INTL
CENTRAL ESCORT SERVICE
TOKYO ESCORT SERVICE
SIE LYNN ESCORT
BUDAPEST ESCORT - GUIDE
APRIL ESCORT SERVICE
LONDON
Tel: 01 840 4292
FRANKFURT
Tel: 01 840 4292
MUNICH
Tel: 01 840 4292

AUTO RENTALS
CENTURY SELF DRIVE
EUROPE AUTO BROKERS, Inc
Tel: Holland (01) 3425-6494 Fax: 62794

INTERNATIONAL HERALD TRIBUNE
CONFERENCE
INSIDE CENTRAL & EASTERN EUROPE: POLITICS, PROSPECTS & THE PEOPLE
Co-sponsors: RISC International and the Radio Free Europe/Radio Liberty Research Institute
October 8 - 9, Vienna

NEW EUROPEAN SECURITY: FROM EAST-WEST CONFRONTATION TO REGIONAL INSTABILITY
Co-sponsor: Corriere della Sera
October 23, Rome

THIRD FINANCIAL INVESTORS FORUM
Co-sponsors: International Finance Corp. and the European Bank for Reconstruction and Development
October 26-28, Warsaw

OIL & MONEY: PLANNING FOR CHAOS
Co-sponsor: The Oil Daily/Energy Compass Group
November 16 - 17, London

TO OUR READERS IN SWITZERLAND
It's never been easier to subscribe and save. Just call our Zurich office toll free: 155 57 57 or Fax: (01) 481 82 88
Imprimé par Offprint, 73 rue de l'Évangile, 15018 Paris.

كندا من الأصل